INDEX.

PAGE

No. 140—Minutes meeting of Quebec Radio—TV Distributors—March 5, 1953 1959
No. 141—Minutes meeting of Quebec Radio—TV Distributors—May 7, 1953 1962
No. 142—Memo—Nov. 5, 1953, Thompson re CRPL..1964
No. 143—Minutes meeting of Quebec Radio—TV Distributors—March 3, 1954 1968
No. 144—Brownlee Report to Directors—Jan. 13, 1954, re: Actions Taken on Reported Infringements in 1953 1973
No. 145—Letter Sept. 9, 1954, McConnell to Schmitt..1978
No. 146—Letter June 24, 1927, Macfarlane to Zenith..1982
No. 147—Letter Jan. 30, 1930, McVeigh to CRPL 1989
No. 148—Letter Nov. 30, 1936, CRPL to Ttacey 2005
No. 149—Letter Sept. 12, 1951, Brownlee to Birchard..2009
No. 150—Letter July 21, 1953, Miguel to Brownlee....2012
No. 151—Kiley report on Conference with CRPL—July 30, 1958 2014
No. 152—Capell report on Meeting with McConnell—July 30, 1958 2017
No. 153—Letter Apr. 16, 1959, McConnell to Curtis..2019
No. 154—Letter June 5, 1959, McConnell to Crotty..2021
No. 155—Letters CRPL—Consolidated Motors—1951 2022
No. 156—Letter Feb. 21, 1951, Consolidated Industries to Zenith 2025
Telegram—Feb. 20, 1951, Zenith to Consolidated ..2025

No. 157—Letter May 7, 1951, Miguel to Consolidated Industries 2026
Letter Apr. 27, 1951, Consolidated to Zenith 2027
No. 158—Letter June 12, 1951—Consolidated to Zenith 2028
No. 159—Letter May 1, 1952, Miguel to Consolidated 2029
Letter Apr. 24, 1952, Consolidated to Zenith 2030
No. 160—Letter Apr. 11, 1953, Winnipeg Supply to Gonzales 2031
No. 161—Letters, Ideal Electric, Aug. 20, 1954, Zenith, Aug. 16, 1954, July 21, 1954, July 16, 1954, July 6, 1954 2033
No. 162—Letters—Ideal Electric to CRPL, July 6, 1954, July 14, 1954, Aug. 24, 1954, July 29, 1954, Aug. 30, 1954 2040
No. 162A—Letter May 22, 1928, Electric Radios to Zenith 2047
No. 162B—Dec. 18, 1929, McVeigh to Munroe 2050
No. 162C—Memo—Feb. 18, 1936, Vasques to Robertson 2052
No. 162D—Letter July 26, 1962, Ideal to Zenith, Letter May 17, 1962, McConnell to Electrical Distributors, Letter Dec. 11, 1929, Munroe to Zenith, Letter Mar. 10, 1930, Zenith to Munroe, Letter Mar. 4, 1930, Munroe to McVeigh, Letter Mar. 1, 1930, Williams to Smart & Biggar, Letter Feb. 21, 1930, Smart & Biggar to Williams, Telegram Mar. 23, 1930, Munroe to McVeigh, Letter Apr. 3, 1930, Munroe to McVeigh, Letter Apr. 17, 1930, Munroe to McVeigh, Letter June 27, 1930, Haugh to Klugh, et al. 2053
No. 163—Letter Jan. 21, 1924, Adams to Davis 2066
Letter Jan. 23, 1924, Adams to Davis 2068

No. 164—Letter Nov. 27, 1935, Macfarlane to Grimley 2070
No. 165—Letter June 11, 1936, Brooks to Gardner ..2072
No. 166—Letter Jan. 13, 1944, MacKenty to Schairer..2073
No. 167—Letter Dec. 11, 1944, MacKenty to Schairer..2081
No. 168—Letter Nov. 6, 1946, Marpole to Shackelford 2089
No. 169—Memo—Nov. 17, 1949, Mayer to Shackelford 2095
No. 170—Memo—Aug. 10, 1951, Johnson to Marpole..2101
No. 171—"Output" License 2121
No. 172—Letter May 2, 1940, Trav-Ler Radio to Hazeltine 2133
Letter May 10, 1940, Hazeltine to Trav-Ler 2134
No. 173—Report of Meeting—Apr. 27, 1945—representative of CRPL and Canadian Licenses 2135
No. 174—Minutes of meeting of CRPL shareholder Company—Oct. 17, 1950 2137
No. 175—Letter Sept. 10, 1945, Binns to Macfarlane..2146
No. 176—Letter Jan. 9, 1947, to Binns 2147
No. 177—Letter July 20, 1953, Dodds to Brownlee....2148
No. 178—Letter Aug. 11, 1950, Dodds to Brownlee....2149
No. 179—Bulk Exhibit—Canadian market inquiries re Zenith equipment 2152
No. 180—Hazeltine—Neutrodyne Agreement—Oct. 19, 1928 2305
No. 181—Agreement—Aug. 11, 1933—Amalgamated Wireless and Standard Telephones and Cables 2310
No. 182—ARTS—Neutrodyne Agreement—Apr. 12, 1934 2318
No. 183A—ARTS—Neutrodyne Agreement—Nov. 28, 1938 re Australia 2336
No. 183B—ARTS—Neutrodyne Agreement—Nov. 28

1938 re New Zealand 2346
No. 184—ARTS—Neutrodyne Agreement—Jan. 31, 1946 2357
No. 185—Letter—July 6, 1950, Hooke to Warner, re. extensions of ARTS—Neutrodyne Agreements—Exhs. 183-A and 183-B to Dec. 31, 1955 2375
No. 186—Letter Oct. 2, 1953, Hooke to Warner, re. extension of Pool Agreements to June 30, 1958 2378
No. 187—Letter Apr. 9, 1958, Wilson to Warner, re extension of Pool Agreements to June 30, 1960 2379
No. 188—ARTS License No. 1 2381
No. 189—ARTS License No. 3 2395
No. 190—Extension of ARTS License No. 3 2410
No. 191—ARTS License No. 3-B 2412

DEFENDANT'S EXHIBIT NO. 140.

Minutes of the regular monthly Meeting of the Quebec Radio-Television Distributors Association, Inc., held on Thursday, March 5th, 1953, at 12:30 P.M. at the Queen's Hotel, Montreal, Que.

Present	Representing
Messrs. A. Asselin	Canadian Marconi Co. Ltd.
W. J. Collins	Electrical Products Mfg. Co. Ltd.
J. V. Molloy	Electrical Products Mfg. Co. Ltd.
T. J. Burke	National Carbon Limited
L. G. Dunn	Union Electric Supply Co. Ltd.
M. Bourbonniere	Philips Industries Ltd.
S. Wellum	Philips Industries Ltd.
E. C. MacLeod	John Millen & Son Ltd.
L. McClenaghan	Sparton of Canada Ltd.
J. Ferland	Canadian General Electric Co., Ltd.
P. Gareau	The Canadian Fairbanks-Morse Co. Ltd.
J. Camirand	Motorola Canada Limited
G. Fortier	Hermann Fortier Inc.
L. Bissette	Hermann Fortier Inc.
J. McGivern	Sparton of Canada Ltd.
L. W. Gauthier	Canadian Westinghouse Co. Ltd.
A. Shields	Canadian Westinghouse Co. Ltd.
R. G. Scroggie	Secretary

In the absence of the President, the Vice-President, Mr. A. Asselin, occupied the Chair and Mr. R. G. Scroggie acted as Secretary of the Meeting.

Minutes

Upon motion by Mr. J. Molloy, seconded by Mr. L. G. Dunn, it was resolved that the Minutes of the last monthly meeting be approved without reading.

Television Show

The Chairman called upon Mr. Molloy to report upon his interview with Mr. Dansereau of the Show Mart in respect to possible accommodation for a Television exhibition. Mr. Molloy advised that Mr. Dansereau was very anxious to have such a show and that he would accept almost any proposition which the Association might be willing to make as to price, space and time. He was also willing to attend to its promotion.

Mr. Collins reported that Mr. McGovern had contacted the Windsor Hotel to see if they would be able to accommodate a show but that there were no available dates or space and that in any event they would not be willing to have such a show within the Hotel.

Mr. Collins also advised that Mr. Berlinguette was willing to arrange and promote a Television Show for the Association.

After considerable discussion as to the merits of holding an exclusive show in either the Mount Royal Hotel or the Show Mart or participating in the All Electrical Show, the Chairman called for a vote. By a substantial majority, it was decided that participation in the All Electrical Show would be the most advantageous means of promoting television in the Montreal area.

Mr. L. G. Dunn suggested that if the Association approached Mr. Berlinguette, it might be possible to obtain a special rental price for members and in this regard suggested that $1.25 a square foot could be offered. He was of the opinion that a Committee should be formed to discuss the whole matter with Mr. Berlinguette, having in mind cost of space, location, promotion, admission, etc. Upon motion by Mr. W. J. Collins, seconded by Mr. M. Bourbonniere, Mr. L. G. Dunn and Mr. A. Asselin were appointed as a Committee and were requested to communicate with Mr. Berlinguette and report their findings to the members.

Syracuse Television Station

Mr. Collins reported that the Syracuse television station was substantially increasing its telecasting range and that Montreal television set owners might expect to be able to pick up their telecasts. He suggested that the Association should endeavor to obtain information as to what channel these telecasts might be picked up on. Mr. Wellum agreed to look up the F.C.C. records and report his findings to the Secretary. Mr. Collins said he would also make further inquiries.

Importation of U. S. Television Receivers

It was reported that the R.T.M.A. had this matter in hand and was working hard to curb the importation. Members were requested to report any violations to the R.T.M.A. without delay.

There being no further business on the agenda, the Meeting was, on motion, adjourned.

....

Chairman *Secretary.*

DEFENDANT'S EXHIBIT NO. 141.

Manutes of the regular monthly Meeting of the Quebec Radio-Television Distributors Association Inc., held on Thursday, May 7th, 1953, at 12:30 P.M. in the Queen's Hotel, Montreal, Que.

Present	Representing
Messrs. T. F. McGovern	Northern Electric Co. Ltd.
I. Pappin	Northern Electric Co. Ltd.
J. Ferland	Canadian General Electric Co. Ltd.
K. C. Hartwell	Canadian General Electric Co. Ltd.
F. W. Wansborough	Canadian General Electric Co. Ltd.
W. J. Collins	Electrical Products Mfg. Co. Ltd.
T. J. Burke	National Carbon Ltd.
M. Moussette	Sparton of Canada Ltd.
L. McClenaghan	Sparton of Canada Ltd.
J. McGivern	Sparton of Canada Ltd.
A. Bayard	RCA Victor Co. Ltd.
E. MacLeod	John Millen & Son Ltd.
L. Beauregard	Lewis Bros. Ltd.
A. Asselin	Canadian Marconi Co. Ltd.
L. G. Dunn	Union Electric Supply Co. Ltd.
R. G. Scroggie	Secretary

The President, Mr. T. F. McGovern, occupied the Chair and Mr. R. G. Scroggie acted as Secretary of the Meeting.

Mr. McGovern extended, on behalf of all of the members of the Association, a most sincere expression of sympathy to Mr. L. G. Dunn in his bereavement.

Minutes

On motion by Mr. T. J. Burke, seconded by Mr. A. Asselin, the Minutes of the last regular monthly Meeting and those of the Special Meeting held on April 16th were unanimously approved without reading.

All Electrical Show

Mr. McGovern reported that in accordance with advice received from the Secretary, all member companies had been informed that Eastern Canada Exhibitions Inc. had accepted without reservation the Association's requirements in respect to participation in the All Electrical Show. Mr. McGovern further reported that Mr. Seguin of the C.B.C. had changed positions and that he had taken up the matter of C.B.C. assistance in promoting the Show with Mr. Ouimet and that Mr. Ouimet had assured him that they realized that the promotion of Television was important to the C.B.C. and that they would co-operate. He did not, however, undertake to telecast any special programmes.

Mr. Bayard also reported that he had had lengthy discussions with the C.B.C. apropos to the official opening of the Montreal, Toronto hookup, the quality of programmes and the increasing of the hours of telecasting in the Montreal area.

Importation

The Chairman reported on action taken by Canadian Radio Patents Ltd. to helt the importation of non-licensed radio and television sets and complimented Mr. Brownlee for the excellent work which he was doing. It was decided that members should clear all infractions through the Secretary who would report immediately to Mr. Brownlee. The Secretary was requested to write C.R.P.L. requesting information governing importation regulations as well as details as to what was necessary to qualify for a manufacturing license.

Nomination Committee

A Nominating Committee of three under the chairmanship of Mr. W. J. Collins assisted by Mr. A. Bayard and Mr. J. Forland was appointed. They were requested to consider their recommendations for a new slate of Officers for the fiscal year 1953-54 to be voted upon at the Annual meeting.

Annual Meeting

Members were reminded that the Annual Meeting and Spring Golf Tournament will be held on Monday, May 25th, at the Islemore Golf and Country Club. As in the past, all members were requested to supply prizes.

There being no further business on the agenda, the Meeting was, on motion, adjourned.

Chairman. Secretary.

DEFENDANT'S EXHIBIT NO. 142.

November 5th, 1953.

Memo:

re: C. R. P. L.

The following is a summary of information I received from Brownlee by telephone to-day.

The shareholders are:

Northern Electric Company Limited;
Canadian General Electric Company, Limited;
Canadian Radio Manufacturing Corporation (Rogers);
Canadian Westinghouse Company Limited; and
Canadian Marconi Company.

Each of these shareholders owns 20% of the issued capital stock.

C. R. P. L. has been issuing what it calls output licen to Canadian manufacturers of radio and television b d on

(a) input license agreements from its shareholders;
(b) as licensing agent for R. C. A.;
(c) as exclusive Canadian licensee of the Hazeltine Corporation;
(d) under its own patents, the only one of which any particular value at the present time is the reecntly purchased Parker patent—their other patents consist of tag ends of patents they had in the past purchased from their shareholders.

Output licenses are formal documents. Actually to-day there are no formal input licenses but a form of such a license has been drafted and is in the hands of Vice President Coles for his scrutiny before being submitted to representatives of their shareholders. The licenses from R. C. A. and the shareholders are all non-exclusive.

The Hazeltine agreement provides for royalties on a percentage of selling prices of sets with a maximum of $45,000 a year. Actually for the sake of convenience royalties are paid by C. G. E. et al. at the rate of 10¢ per domestic set and 5¢ per exported set. The maximum is being paid to Hazeltine. The R. C. A. arrangement boils down to R. C. A. getting 25% of the gross receipts from royalties before income taxes, so that the distribution of revenue is roughly:

(a) 25% of gross before taxes, to R. C. A.;
(b) $45,000 to Hazeltine;
(c) about one-half of the balance for operating costs and taxes;
(d) the balance divided equally among the shareholders as dividends.

The estimated revenue for 1953 is One Million Dollars which would result in dividends of about $75,000 per shareholder free of income tax.

C. G. E.'s representatives as directors are Mr. Turner and Mr. Macfarlane. Mr. Macfarlane is the President and Mr. Coles of Westinghouse is Vice President. Each shareholder appoints two directors. The next dividend meeting will probably be in December.

The bulk of the revenue collected is from television but there is some from radio.

There are oral license agreements from the shareholders to C. R. P. L. on which it is currently basing its output licenses.

The shareholders have no rights under each others patents or under R. C. A. patents. Brownlee is of the opinion that all of the shareholders should sign output agreements, thereby effectively obtaining cross licenses under all the R. C. A. and other shareholders' patents. He thinks that R. C. A. has agreed to sign such a license and his recollection is that in 1950 the shareholder companies tentatively agreed to take such licenses, but nothing was done to formalize such an agreement and the matter has lapsed because nobody has followed it up actively. Mr. Macfarlane at that time was the prime mover in these things but since that time Brownlee has been unable to get him to push matters.

Northern Electric has not many patents of its own and has not been able to undertake to include Western Electric's patents with its contribution. When this was discovered there was some discussion as to trimming down Northern's shareholder interest, but this action was not taken when Western agreed to take no action on its patents against the other shareholders or licensees of C. R. P. L.

The government deal in which C. R. P. L. has acted for R. C. A. and the C. R. P. L. shareholders, is contained in an agreement between C. R. P. L. and D. D. P., the parties having considered this to be a suitable manner in which the Government would obtain the kind of rights it wanted.

C. R. P. L. was of the opinion that it was authorized to make such a deal when it obtained Letters of Authority from R. C. A. and the shareholder companies. The revenue from this government deal is divided as follows:

(a) 25% to R. C. A.;

(b) the balance in equal shares between all the shareholders except Northern Electric.

Northern was cut out because it was not in a position to bind Western. Brownlee rather agrees with me that even if C. G. E. had no patents coming to if under its agreement with G. E. it would still be entitled to get in on these payments by the Government in view of its interest in the so-called pooled patents of C. R. P. L.

C. G. E. pays 5 cents per export unit and 10¢ per domestic unit as its contribution to the Hazeltine royalty, and it also pays a royalty to C. R. P. L. at the regular rate on stencil sets it makes for non-shareholders. It pays no royalty on the stencils it makes for Northern.

C. R. P. L. currently has in its surplus, Government and Hydro bonds to a face value of $275,000 which the directors have not seen fit to distribute in the form of dividends in view of the fact that their market price is less than their cost.

Brownlee is of the opinion that if the shareholder companies sign output licenses and paid royalties they would make a nice recovery in the way of dividends over and above their contributions. There would be some unbalance of course due to the unbalanced production. It might be possible for a large producer to be in a position of not getting more than he put in, but despite this Brownlee thinks that the operations of C. R. P. L. are of very substantial benefit to the industry as a whole and to all the shareholders, if for no other reason than the threat against dumping.

Recently a writ was issued against Foucher Electric of Montreal for selling imported Dumont sets. The Plaintiffs were C. G. E., C. R. P. L. and Hazeltine. An offer of settlement has been made and it is not expected that this case will go to court.

/PE H. K. Thompson

c. c. H. M. Turner
R. H. Littlejohn

DEFENDANT'S EXHIBIT NO. 143.

(Letterhead of Quebec Radio-Television Distributors Association, Inc., Montreal, Que.)

March 1st, 1954.

Notice to Members:

A Special Meeting has been called and will be held at 12:30 P.M. on Wednesday, March 3rd, at the Queen's Hotel.

All members are urgently requested to be in attendance as the guest at this meeting will be Mr. S. D. Brownlee, Secretary-Treasurer of Canadian Radio Patents Limited. Matters of great importance to the industry will be discussed.

If possible, I would appreciate your phoning this office (HA. 3113) in advance of the Meeting advising as to how many will attend from your firm in order that adequate accommodations may be made.

R. G. Scroggie
Secretary.

Minutes of the regular monthly Meeting of the Quebec Radio-Television Distributors' Association, Inc., held on Wednesday, March 3rd, 1954, at 12:30 P. M. in the Queen's Hotel, Montreal.

	Present	Representing
Messrs.	M. Bourbonniere	Philips Industries Limited
	A. Laliberte	Lewis Bros. Ltd.
	L. A. Beauregard	Lewis Bros. Ltd.
	J. Lalonde	Industrial Distributors Co.
	E. M. Mander	Industrial Distributors Co.
	E. C. MacLeod	John Millen & Son Ltd.
	Y. Lebeuf	Canadian Fairbanks-Morse Co. Ltd.
	P. Gareau	Canadian Fairbanks-Morse Co. Ltd.
	T. J. Wilde	Canadian Marconi Co.
	L. Desmarais	Canadian Marconi Co.
	J. B. Norton	Crosley Radio & Television Ltd.
	H. E. Clements	Crosley Radio & Television Ltd.
	J. Molloy	Electrical Products Mfg. Co. Ltd.
	W. J. Collins	Electrical Products Mfg. Co. Ltd.
	L. McClenaghan	Sparton of Canada Ltd.
	M. Moussette	Sparton of Canada Ltd.
	J. McGivern	Sparton of Canada Ltd.
	K. M. Bissell	Northern Electric Co.
	I. P. Pappin	Northern Electric Co.
	B. Manis	Radio Accessories Ltd.
	T. J. Burke	National Carbon Limited
	L. G. Dunn	Union Electric Supply Co. Ltd.

Present	Representing
G. M. Demers	Canadian Westinghouse Supply Co.
J. A. Bayard	RCA Victor Co. Ltd.
S. D. Brownlee	Canadian Radio Patents Ltd.
H. Hudon	Acting Secretary

The Vice-President, Mr. H. M. Bourbonniere, occupied the Chair and Mr. H. Hudson acted as Secretary, replacing Mr. R. G. Scroggie was was unable to attend.

Minutes.

The Minutes of the last monthly Meeting held on December 3rd, 1953, were read and upon motion by Mr. E. Clements, seconded by Mr. L. A. Beauregard, were duly approved as read.

Guest Speaker.

The Chairman then introduced Mr. S. D. Brownlee, Secretary-Treasurer of Canadian Radio Patents Limited. Mr. Brownlee outlined the history, progress and functions of his organization. He also spoke at length of the efforts which haye and are being made to curb the importation and sale of unlicensed television receivers in Canada. He informed the members that Canadian Radio Patents Limited had to date taken legal action in respect to thirty-five infringements of patent rights, the greater number of which had been satisfactorily settled. He admitted that in certain cases, the results had not been entirely to their liking.

The following is a brief summary of the specific cases referred to by Mr. Brownlee:

Faucher.

A settlement has been concluded out of court as between the respective lawyers. Under the terms of the settlment,

Faucher is permitted to dispose of his inventory of unlicensed television receiving sets. He supplied a list of the serial numbers to Canadian Radio Patents Limited. Any members who may be dubious of Faucher's compliance with the terms of the settlement may have access to the list of serial numbers supplied to C. R. P. L.

Appliances Unlimited.

Mr. Brownlee apologized for the delay in concluding this case. Proceedings had been commenced during the month of February and originally the case was to have been decided by the first of March. However, an extension of ten days was granted the defendants and as a result a decision is not expected until approximately the middle of March.

Traveler.

The parties marketing these sets claimed to have assembled them here from imported component parts. They applied to C. R. P. L. for a license and were refused. However, they continued their operations and it was later disclosed that they were also marketing U. S. made sets. They were confronted with the evidence of importation and although they did not admit to the charge, they promised to cease operations.

Despite the foregoing, approximately a week ago, it was discovered that Simpsons of Montreal had in their stock a number of imported sets. They again refused to admit to importation and explained that they had been disposing of their original inventories. Again promises were made that they would stop selling. Simpsons have expressed their dissatisfaction in their dealings with this group and have promised to co-operate with C. R. P. L.

Mr. Brownlee asked for the continued co-operation of the members of the Association in order that C. R. P. L.

may stop the activities of unlicensed operators at the outset. Reports of infractions should be made immediately and C. R. P. L. will do everything possible to take action without delay.

Mr. Collins asked that more publicity be given in respect to the legal proceedings instituted by C. R. P. L. He was of the opinion that such publicity would deter many who were not aware of the legal implications of importing and selling unlicensed sets. At the same time, many dealers who otherwise might handle these sets, would in view of the publicity and resultant understanding of the legal implications, refuse to have any dealings with the importers.

A vote of thanks and appreciation was extended to Mr. Brownlee who so kindly took time to so adequately explain the situation and the position of C. R. P. L. in its efforts to curb unlicensed importations and protect legitimate distributors and manufacturers.

The Meeting was then adjourned with all unfinished business to be concluded at the next regular monthly Meeting.

.....

Chairman.

.....

Secretary.

DEFENDANT'S EXHIBIT NO. 144.

Canadian Radio Patents Limited
159 Bay Street
Toronto

January 13, 1954.

Re: Actions Taken On Reported Infringements in 1953.
Memo To Directors

Attached is a summary of the actions that were taken by CRPL in the thirty five cases of infringement that were reported during 1953.

Most of the infringement reports received in 1953 involved individual dealers that had imported U.S. television receivers and, following the approved procedure in such cases, we usually settled for a written guarantee to immediately discontinue the infringement and did not press for damages if only a few sets were involved.

In cases such as Electromaid where 72 TV receivers were involved and in the case of the 160 Arvin sets imported by S. G. Waters after previous warnings we settled for $10 per receiver damages.

After initial warning letters were ignored, we purchased, and examined for infringement a total of six TV receivers (from Faucher, North Star, Legare, Century, Amhearst and Appliances Unlimited).

The threat of possible infringement action resulted in satisfactory settlements in the cases of North Star, Legare and Century (see notes on attached summary) but it was necessary to commence an action in the Exchequer Court of Canada before a settlement was made with Faucher. Mr. Gowling is now proceeding against Amhearst Television and the receiver recently purchased from Appliances

Unlimited is being examined as a preliminary to commencing an action against this company.

Although we have not received any new reports of infringement for the past two months and believe the situation is under control, we are continuing to periodically run the warning Notice in the trade publications.

S. D. Brownlee,
Secretary-Treasurer.

SDB/ml

Summary of Infringement Warnings and Actions Taken in 19

January 13, 1954.

Name of Reported Infringer	Address	Infringing Product	Date of First Warning Letter	Remarks
Air Equipment Service Ltd.	1401 Hornby St., Vanc.	Imported TV receivers	Feb.23/53	Assurance of discontinuing Feb 2
Amherst Television	1106 Ontario E., Mont.	" Olympic TV	May22/53	See note below
Appliances Unlimited	1356 St. Catherine, Mtl.	" TV sets	Feb.23/53	See note below
Arvin	1214 Homer St., Vanc.	" TV sets	Mar. 2/53	Assurance of discontinuing Mar.
Bestway TV	1494 Kingston Rd., Toronto	(used) " " "	Oct.19/53	" " " " Oct.21
Baschofberger	836 Wabe St. Arvida, Que.	Swiss radios	May 14/53	" " " June 2
Century Electric Co.	420 McGill St, Montreal	Imported Arvin TV	Nov. 5/53	Settled with S.G. Waters Distbrs
Continental Sales Co.	5743 St. Hubert, Mtl.	" TV receiver	Apr.13/53	Assurance of discontinuing Apr.1
Davenport and Goldstaev	6640 Fraser, Vanc.	" " "	Nov. 9/53	" " " Dec.
Dalfen's Dept. Stores	5322 Queen Mary Rd. Mtl.	" " "	Feb.26/53	" " " Mar.
Eastern Television Import	Farnham, Quebec	" " "	Oct. 6/53	" " " Oct.
Electrohaid	Montreal	" " "	Aug.17/52	See note below
Fember Electric	251 Beaubien St.E., Mtl.	" " "	Oct.27/52	See note below
Fred Walsh & Son	Beatty St. Vancouver	" " "	Feb.23/53	Assurance of discontinuing Feb.2
Harley Television	5206 Queen Mary Rd. Mtl.	(used) " " "		" " "
Furniture Show Room	2456 Des Carrieres, Mtl.	" " "	May 1/53	" " " May
German Book Store	3429 St. Lawrence, Mtl.	German radios	Dec.31/53	No reply to date
Great Eastern Oil & Import Co.	St. Johns, Newfoundland	German radios	July16/53	Exchanged correspondence gave patent rep. on wir. diag. consid ing license to assemble.
Laurent Bourgon	315 Craig St. W. Mtl.	Imported TV sets	Feb.24/53	Assurance of discontinuing Mar. 1

Defendant's Exhibit No. 144.

1975



Name of Reported Infringer	Address	Infringing Product	Date of First Warning Letter	Remarks
Legare Company	1278 Mount Royal E,Mtl.	TruWier TV sets	Nov. 5/73	Settled with Electronic Leaders See note below
Lion TV Distributors	Box 173, Vancouver	Imported TV receivers	Mar.19/73	Ad in Vanc. paper- no reply - no further reports
Lumino Firestone Store	2825 Mount Ave. Wind.	(used) " " "	Nov. 2/73	Assurance of discontinuing Nov. 7
Mart - T - Re	207 Bernard West, Mtl.	Imported " "	Feb.15/73	" " " Feb.26
Modern Refrigeration	1 Notre Dame St. E. Mtl.	TruWier TV sets	Nov. 5/73	(see North Star)
Morris Television & Appl.	1291 Manning Ave., Verd.	Imported TV receivers	Nov. 5/73	Reg. letter not accepted-no reply to follow up/ to date.
Nan-Isle Trucking Co. Ltd.	517 Granville St. Vanc.	" " "	Jan. 5/73	Assurance of discontinuing Jan.30
North Star	1 Notre Dame St. E.	" " "	Nov. 5/73	See note below
Premier Appliances Ltd.	326 Felicier St., Wind.	" " "	Oct.26/73	Assurance of discontinuing Nov. 6
Red Arrow Distributors	2208 Danforth Ave.,Toronto	" our radios	Oct.30/73	" " " Nov. 7
Trans Canada Upholstering	5176 St. Laurence, Mtl.	" TV receivers	Nov.11/73	" " "
Television Specialties Co.	4810 St. Dennis, Mtl.	" " "	Mar.17/73	" " " Mar.22
Valley Radio & Appliances	Mission City, B. C.	" " "	Feb.23/73	" " " Mar.27
Van Bagen Electric Co.	3398 Kingsway, Vanc.	" " "	Mar. 2/73	" " " Mar. 2
Victory Sales Mng'd.	7233 Durocher, Montreal	" " "	Sept 5/73	" " " Sept 5
Westmount Moving & Storage	3425 St. Laurence, Mtl.	" " "	Nov. 12/73	Returned to Burley TV.

Exh. 69

Notes

1. Amhearst Television—Has disregarded warning letters and continues to sell imported Olympic TV receivers—purchased receiver as evidence—examined for patents—turned over information to Gowling—proceeding with action in Exchequer Court of Canada.

2. Appliances Unlimited—When first warned of infringement agreed to discontinue but has recently commenced importation again—purchased receiver as evidence—now being examined for infringement—will proceed with action.

3. Faucher Electric—Disregarded warnings—purchased receiver as evidence—examined for infringement—Gowling started action in Exchequer Court of Canada on October 15, 1953—Faucher consented to judgment prohibited from future importing and paid $10 per receiver damages.

4. Century Electric—Arvin receiver purchased as evidence and examined—S. G. Waters Distributors accepted responsibility for all Arvins on Canadian market and settled for $10 per set damages plus agreement to discontinue importation.

5. Legare—TraVler set purchased from Legare traced to North Star and then to Electronic Leaders—(applicant for license)—claimed mfg. in Canada—royalties paid—accepted.

6. North Star—TraVler set purchased from North Star claimed partial mfg'd. by Electornic Leaders and royalties paid—accepted (Electronic Leaders has limited production facilities but has made some sets and threatened action against Legare and North Star has cleared the situation—still holding Electronic Leaders' license pending assurance full mfg. in Canada.

7. Electromaid—This company had disposed of 71 imported TV receivers before we obtained a written agreement to discontinue. Settlement was made at $10 per receiver.

cc: Directors
SDB/ml

S. D. Brownlee,
Secretary-Treasurer.

DEFENDANT'S EXHIBIT NO. 145.

September 9, 1954.

Mr. P. G. Schmitt, Manager,
Associated Companies Division,
Westinghouse Electric International Co.,
40 Wall Street,
New York 5, N. Y.

Subject: License Agreement between Canadian Westinghouse Company Limited and Canadian Radio Patents Limited dated August 31, 1954, and effective January 2, 1951.

Dear Mr. Schmitt:

This letter is being written in order to comply with the requirements of the penultimate paragraph of Article II of the License and Technical Assistance Agreement effective January 1, 1947, between our companies and the Westinghouse Electric Corporation.

Canadian Radio Patents Limited is a patent holding company owned by five shareholders, namely, Canadian Westinghouse Company Limited, Canadian General Electric Company Limited, Northern Electric Company Limited, Canadian Marconi Company Limited and Rogers Majestic Company Limited (Phillips). Each shareholder makes its patents in the radio purposes field available to C.R.P.L. and the pool also contains Canadian patents of Hazeltine and R.C.A. together with certain patents owned outright by C.R.P.L. such as the Parker television patent which was purchased recently for a substantial sum.

Any former agreements between the shareholders and C.R.P.L. were confined to narrow fields and were so old

that the patents involved had expired. Since C.R.P.L. has been active against importers of television sets recently it was felt by the directors of that company that formal documents should exist between the shareholders and C.R.P.L. granting rights to C.R.P.L. under current patents. The subject agreement grants such rights to C.R.P.L. from Canadian Westinghouse. The remaining four shareholders are signing identical agreements.

The present agreement was executed on August 31, 1954, but is effective from January 2, 1951. It was made retroactive since C.R.P.L. has been granting licenses in the fields covered since 1951.

Canadian Westinghouse grants to C.R.P.L. under its patents in the radio purpose field a non-exclusive license with the right to sub-license. The patents included at the date of the agreement are attached to the agreement as Schedule "A". Other patent rights acquired by Canadian Westinghouse in the radio purposes field from time to time during the term of the agreement will be included in Schedule "A".

The term radio purposes includes the following:

(a) Broadcast Reception Apparatus—amplitude modulated, frequency modulated, television and facsimile receivers:

(b) Amplification, Warning, Recording and Reproduction Apparatus—amplifiers, electric phonographs, phonograph pick-ups and other apparatus for non-synchronous recording and reproduction of sound, television and facsimile; synthetic production of sound, speech input, intercommunication, public address, hearing aids and alarm devices;

(c) Amateur Radio Receiving Apparatus;

(d) Radio Telegraph and Telephone Apparatus—equipment for land mobile, marine, aeronautical

and point to point services, all for private commercial use;

(e) Apparatus for Inductive Telegraph and Inductive Telephone Systems;

(f) Apparatus specified in sub-sections (a), (b) and (c) of this Section 2 other than radio receivers for use in automobiles, complete except for cabinets and parts used for assembly of such apparatus in cabinets or other permanent housing;

(g) Broadcast Transmitting Apparatus—amplitude modulated, frequency modulated, television and facsimile transmitters including pick-up transmitters, studio apparatus, television cameras microphones and facsimile terminal apparatus;

(h) Amateur Radio Transmitting Apparatus;

(i) UHF and Micro Wave Relay Apparatus for private commercial use;

(j) Aids to Navigation and Radio Indication Apparatus;

(k) Medical Electronic Apparatus, other than X-Ray;

(l) Theatre Television Apparatus;

(m) Accessories supplemental to the operation of apparatus specified in sub-sections (a) to (l) inclusive of this Section 2—such as antenna; power supply, radio frequency converters and boosters, battery chargers;

(n) Measuring and Testing Apparatus, other than electron microscopes, for use in conjunction with apparatus specified in sub-sections (a) to (m) inclusive of this Section 2.

C.R.P.L. is given the right to take necessary legal steps to restrain and secure compensation for all infringements of the licensed patents providing that it has received the prior consent of Canadian Westinghouse which consent shall not be unreasonably withheld.

Canadian Westinghouse agrees to sign all papers and documents to enable C.R.P.L. to take legal action against infringement of the licensed patents.

The agreement will continue until December 31, 1955, and from year to year thereafter until December 31, 1960, subject to termination at any time after December 31, 1955, by three months' notice in writing by either party to the other.

Schedule "A" at the date of this agreement contains 194 patents. Of these 135 stand in the name of Canadian Westinghouse Company Limited and 59 in the name of the Westinghouse Electric Corporation.

Would you kindly acknowledge receipt of this summary. If you would care to have a copy of the complete agreement I will be pleased to send one to you.

Yours very truly,

B. McConnell,
Assistant Secretary.

BMcC: mm

DEFENDANT'S EXHIBIT NO. 146.

212 King Street West
Toronto

Toronto 2, June 24th, 1927.

The Zenith Radio Corporation,
3620 Iron Street,
Chicago, Ill.,
U. S. A.

Attention Mr. E. F. McDonald, Jr., President.

Dear Sir:

Answering your inquiry of June 22nd, a limited number of licenses are being issued by our Company for the manufacture and sale of Radio Receiving Sets to be used only for the non-commercial reception of public radio telephone broadcasting within the Dominion of Canada.

The licenses are standard in form upon the following basis, namely, 10% royalty from the invoice price of the Radio Receiving Sets as sold by the Licensee, the said royalty being payable quarterly on the last days of January, April, July and October of each year, the minimum royalty for each year being $10,000.00.

At the time of granting any license an advance payment of $10,000.00 is required to be applied upon accruing royalties and settlement must be made of any claims for past infringements.

In the case of licensees who desire to manufacture in the United States, imports into Canada are restricted to an aggregate of $100,000.00 per year beyond which the licensee must manufacture in this country. Upon imported sets the net selling price includes the customs duty and freight to the point of entry into Canada.

The patents under which the licenses are being granted are as follows:—

Rice	241,138
Alexanderson	208,583
Langmuir	244,847
Mathes	183,275
Mathes	209,777
Arnold	213,999
Hartley	174,690
Nichols	183,276
Armstrong	216,321
Round	179,703
Franklin	187,793
DeForest	159,794
DeForest	174,361
DeForest	218,235
DeForest	218,468
DeForest	218,238
DeForest	218,242
DeForest	218,473

Yours very truly,

Canadian Radio Patents, Limited,
Per (Illegible),
Secretary-Treasurer.

JCM/C.

June 22, 1927.

Canadian Radio Patents Limited,
212 King Street West,
Toronto, Ontario,
Canada.

Gentlemen:

Would you be good enough to advise us the terms under which you are issuing licences? Also the radio patents controlled by you in the Canadian dominion.

As you probably know, the Zenith Radio Corporation was the first to be licensed by the Radio Corporation of America, The General Electric Company, The Westinghouse Electric & Mfg. Co. and the American Telephone & Telegraph Company.

Thanking you for your advice on the subject, we are

Cordially and sincerely yours,

Zenith Radio Corporation,
E. F. McDonald, Jr.,
President.

HMC

Memorandum of Agreement made in duplicate this ..... day of ..... A. D. 1927; by and between: Canadian Radio Patents Limited, a Corporation organized under the laws of the Dominion of Canada, and having its head office and principal place of business at the City of Toronto, in the Province of Ontario, hereinafter called the "Licensor" of the First Part: and .....
..... of the Second Part:

Whereas the Licensor is presently a Licensee for the purpose hereinafter set forth, with power to grant sub-licenses under the Canadian patents set forth in the Schedule attached hereto, and has agreed to grant to the Licensee a

non-exclusive license to manufacture and sell thereunder, radio receiving sets to be used only for the non-commercial reception of public radio telephone broadcasting:

1. Now Therefore This Agreement Witnesseth that for and in consideration of the sum of Ten Thousand Dollars ($10,000.00) of lawful money of Canada paid upon execution hereof by the Licensee to the Licensor, receipt whereof is hereby acknowledged, and of the covenants and agreements contained herein the Licensor hereby grants to the Licensee, subject to the terms and conditions and to the performance of the obligations hereinafter set forth, a non-exclusive license under the Canadian patents set out in the Schedule attached hereto, during the full term of the said patents, and all re-issue of extensions thereof, to manufacture and sell radio receiving sets to be used only for the non-commercial reception of public radio telephone broadcasting.

2. The Licensee covenants with the Licensor to pay to the Licensor a royalty of ten per cent (10%) on the invoice price of all radio receiving sets as sold by it which embody any of the inventions described in any of the said patents; such royalty to be payable quarterly on the fifteenth days of January, April, July and October in each year, commencing with the 15th day of April, 1927, covering in each case the three months period ending on the first day of the month referred to:

3. The Licensee shall keep faithful and true account of all radio receiving sets sold by it and of the invoice price thereof, and for the purpose of determining the amount of royalty payable from time to time, the Licensor shall have the right to employ a chartered accountant to examine the books of the Licensee, and the Licensee shall give to any such chartered accountant full access to all books and papers which the said accountant shall require to inspect for the said purpose:

4. The license hereby granted is assignable by the Licensee only to its successors or assigns, of substantially the entire good will and business of the said Licensee, but is in all other respects personal and non-transferable:

5. The Licensee shall mark all radio receiving sets sold or offered for sale by it in the manner required by the provisions of the Patent Act, and by affixing thereto a notice reading—"Licensed by Canadian Radio Patents Limited".

6. In the event the Licensee shall fail to pay to the Licensor the royalties referred to in the preceding paragraphs, or shall otherwise fail to observe the covenants herein contained, or in the event that the Licensee shall become bankrupt or insolvent, or if a receiver or liquidator shall be appointed to administer its affairs, the Licensor may, at its option and without prejudice to any of its other legal and equitable rights and remedies under this Agreement, by thirty days notice in writing particularly specifying the breach, terminate the license herein given or granted, or of the rights of the Licensee hereunder, unless the Licensee within such period of thirty days shall have rectified such breach; in which case this license contract shall continue as though no such notice had been given. The deposit in the registered mails of a postpaid envelope addressed to the last known Post Office address of the Licensee, and containing any such notice, shall constitute due and sufficient service of such notice as to the date of such deposit.

7. Unless this Licensee Contract shall terminate as provided in the foregoing section, the license hereby granted shall extend and continue throughout the term of the herein referred to Canadian Letters Patent latest in date, and any re-issue or extension thereof, under which the Licensee is herein licensed. The termination of this License Contract for any reason whatsoever shall not relieve the Li-

censee of any obligations due to the Licensor at the date of such termination.

8. Should the license fees payable hereunder in any calendar year amount to less than Ten Thousand Dollars ($10,000.00) and should the Licensee continue to refuse or fail to pay to the Licensor the difference between the license fees so payable and the sum of Ten Thousand Dollars ($10,000.00) the Licensor may after ten days notice in writing to the Licensee demanding payment of such difference, cancel this license but without discharging the Licensee from its obligations to pay the license fees then payable.

9. The Licensee shall not import or cause to be imported directly or indirectly, into the Dominion of Canada, radio receiving sets manufactured or sold under this license during any one calendar year having an invoice price (including freight and duty) in the aggregate or more than One Hundred Thousand Dollars ($100,000.00).

10. The term invoice price used herein when applied to radio receiving sets imported into Canada shall include customs duty and freight to the point of entry into Canada.

In Witness Whereof the Parties Have Signed.

Signed, Sealed & Delivered

In the presence of:

.....

.....

Canadian Radio Patents Limited,

.....

President.

.....

Secretary.

Defendant's Exhibit No. 146.

Schedule.

Canadian Patents of

Canadian General Electric Company, Limited.

1.	Rice	241138
2.	Alexanderson	208583
3.	Langmuir	244847

Western Electric Company, Incorporated.

1.	Mathes	183275
2.	Mathes	209777
3.	Arnold	213999
4.	Hartley	174690
5.	Nichols	183276

Canadian Westinghouse Company, Limited.

1.	Armstrong	216321

Canadian Marconi Company.

1.	Round	179703
2.	Franklin	187793

Standard Radio Mfg. Corporation Limited.

1.	De Forest	159794
2.	do.	169332
3.	do.	174361
4.	do.	218235
5.	do.	218468
6.	do.	218238
7.	do.	218242
8.	do.	218473

DEFENDANT'S EXHIBIT NO. 147.

January 30, 1930.

Canadian Patents, Ltd.
212 King Street, West,
Toronto, Canada.

Gentlemen:—

We have recently been approached by several firms who wish to distribute Zenith Receivers in Canada, and we understand that arrangements have to be made with you for a license before any sets can be sold.

It was our understanding that in order to obtain this license, the distributor had to guarantee a minimum royalty of $10,000 which permitted the import of $100,000 worth of merchandise, and any merchandise imported in excess of this would be licensed at a flat 10% per set.

However, we are now advised that a distributor's license only entitles him to $100,000 per year, and a license for the sale of an unlimited amount must be a manufacturer's license. You will appreciate, of course, that it would not be worth our while to enter the Canadian market on a basis of $100,000 per year, and in order that we may give this matter intelligent consideration, we would appreciate full advice as to just what the license covers.

Very truly yours,

Zenith Radio Corporation
K. R. McVeigh,
Manager Export Div.

KRMcV:G

Defendant's Exhibit No. 147.

Canadian Radio Patents Limited
212 King Street West
Toronto

Office of Secretary-Treasurer

Toronto, 2, February 6th, 1930.

Zenith Radio Corporation,
3620 Iron Street,
Chicago, Ill., U. S. A.

Attention:—Mr. K. R. McVeigh—Mngr. Exp. Division

Gentlemen:

Your letter of January 30th, with reference to a license under the Patents owned or controlled by this Company in Canada, has been received and I am enclosing herewith a copy of the Standard Agreement form executed by our various Licensees in Canada. This Agreement form covers the situation pretty thoroughly and I believe that you will find the various points discussed in your letter dealt with clearly therein.

In addition, I may say that it has been our practice in the past to obtain from applicants for a license a $10,000.00 payment in advance of royalties and it is very probable that if and when any further licenses are granted, payment of an additional sum not to be considered an advance payment of royalty, may be required by our Board of Directors.

While I am not in a position to state definitely what the attitude of our Board would be, at the same time, the general feeling is, that no new licenses should be granted at this time. However, if one of the existing Licensees in Canada should desire to discontinue or amalgamate their radio business, it is possible, that our people would give

careful consideration to the transfer of the license agreement, to a reputable concern of good financial standing.

From a perusal of the license Agreement form, you will observe that no limitation is placed upon sales in Canada by the Licensee but that the latter is required to comply with the requirements of the Canadian Patent Act and importation of receivers into Canada, must be limited. In this connection I may say that the extent of the organization contemplated in Canada and the amount of investment actually to be made in Canada would be of prime importance in considering the advisability of the possible granting of a new license or transferring of an existing one. While this whole matter is of course entirely one for our Board of Directors to decide, I may say that there is very little likelihood of an application receiving their favourable decision unless substantial investment in Plant, Organization, etc., is to be made in Canada.

If there is any further information which you may desire on this subject, I shall be very glad to hear from you further, and if you wish to make a definite proposal or application and will write to us setting the whole matter out fully it will be placed before our Board of Directors at the earliest possible opportunity for their decision in the matter.

Very sincerely yours,

Geo. F. Brookes

GFB/HCQ. *Auditor.*

Canadian Radio Patents Limited

and

License Agreement

Radio Receiving Sets, Canada

Memorandum of License Agreement made in duplicate this ..... day of ....., A. D. 1929, between:

Canadian Radio Patents Limited,

a corporation organized under the laws of the Dominion of Canada, and having its Head Office at the City of Toronto, in the Province of Ontario, hereinafter called the "Licensor," of the First Part:

—and—

.....

a corporation organized under the laws of .....
and having its Head Office at the City of .....
in the Province of ....., hereinafter called the "Licensee," of the Second Part:

Whereas the Licensor represents that it owns or has the right to grant licenses under various Letters Patent of the Dominion of Canada, set forth in Schedule "A" hereto annexed, relating to or useful in the manufacture of radio receiving sets, as hereinafter defined.

And Whereas the Licensee desires to make lawful use of some or all of the inventions covered by said Canadian Letters Patent, and to that end desires to acquire the licenses herein expressed.

Now Therefore, in consideration of the premises and of the license granted herein by the Licensor to the Licensee and of the mutual covenants herein contained it is agreed as follows:

1. The Licensor hereby grants to the Licensee, for the term of this agreement, under all of the Letters Patent of the Dominion of Canada set forth in Schedule "A" attached hereto, but only upon the terms and conditions and for the uses hereinafter specified, a personal indivisible, non-transferable and non-exclusive license to manufacture complete radio receiving sets, (including power supply units and power amplifier units when used as integral parts of said sets, all as herein defined), at its factory located at ..... in the ..... of ....., and not elsewhere without the written permission of the Licensor; and to sell only in the Dominion of Canada complete radio receiving sets so manufactured, but only for the non-commercial reception of public radio telephone broadcasting. The License hereby granted does not include any license to sell any part or parts of a radio receiving set as distinguished from the complete set or any machine, appliance or material or any part thereof.

The Licensor has no license under the Canadian Letters Patent set forth in Schedule "A" in the field of electrical phonograph reproduction or in the field of production, projection or reception, either directly or by electric current waves or impulses, of still or motion pictures or of motion pictures synchronized with sound recorded on films or grooved records, its license and the license herein granted being only for the manufacture, use and sale of radio receiving sets to be used only for the non-commercial reception of public radio telephone broadcasting.

The Licensor does not own or control or possess rights under any patents for the manufacture and/or sale of vacuum tubes, and nothing herein contained shall be construed as conferring upon the Licensee, either expressly or by implication, estoppel or otherwise, any license to manufacture or sell any apparatus or article except in accordance with the express provisions of this agreement.

The Licensor has no patents or patent rights or licenses under patents whatsoever in foreign countries, and nothing herein contained shall be construed as conferring upon the Licensee, either expressly or by implication, estoppel or otherwise, any license under any patents of countries other than the Dominion of Canada.

2. For the purpose of this agreement the following terms are defined, namely:—

(a). "Radio Receiving Set"—means a radio receiver embodying one or more input circuits tuned or which can be tuned to substantial resonance with the radio frequency of the signal to be received, or coupled to a circuit or circuits so tuned or which can be so tuned; one or more devices for relaying or for amplifying such signals at the said radio frequency; one or more output circuits tuned or which can be tuned to substantial resonance with the radio frequency of the signal to be received or coupled to a circuit or circuits so tuned or which can be so tuned; a single detecting device for directly converting the signals so received and so relayed or amplified from said radio frequency signal currents, and if employed, one or more devices with their associated circuits for amplifying such audio frequency current. In any event the term "Radio Receiving Set" shall not for the purpose of this agreement include the so-called superhetrodyne or superregenerative receivers or parts therefor.

The said term "Radio Receiving Set" shall be understood to cover the whole of the component parts of the complete radio receiving apparatus as sold to the using public in Canada, that is to say, as included a case or cabinet containing the wiring and electrical devices and including power supply units and power amplifier units as herein defined if and when used as an integral part of said radio receiving set; and any other device which

is normally built in or forms part of said radio receiving set as sold to the using public in Canada, but not as including the renewable batteries or tubes.

(b) "Power Supply Unit"—means apparatus adapted to take not exceeding 300 watts of electric current from an ordinary electrical power distributing system (such as an electric lighting circuit) and to transform, rectify, electrically filter and/or otherwise convert or modify the current so received and to deliver one or more electric currents having such characteristics as to be suitable for operating a radio receiving set, power amplifier unit and/or loud speaker.

(c) "Power Amplifier Unit"—means apparatus adapted to receive signal energy from the output of a radio receiving set and to deliver electric currents varying in accordance with the received signals, but of greater energy, suitable for the operation of a loud speaker.

(d) "Public Radio Telephone Broadcasting"—means the broadcasting by radio telephony of sounds of music, news, speeches, sermons, advertising and entertainment, educational and similar matter for reception by the general public.

(e) "Non-commercial Reception"—means and is limited to the reception for private entertainment and instruction in homes and also in other places where no charge is made directly or indirectly for admission or for the privilege of listening.

(f) "Superhetrodyne"—means utilizing the conversion of incoming signal modulated high-frequency electrical oscillations, by combination with other high-frequency electrical oscillations, into signal modulated oscillations of a different frequency lower than said incoming oscillations but in the ultra audible range, amplifying said last mentioned oscillations and detecting the signal modulations thereof.

(g) "Super-regenerative"—means the method of amplifying oscillatory electrical energy in which the output of a repeater is regeneratively associated with the input thereof to the extent of the regenerative effect being periodically varied independently of the variations in the energy to be amplified, in such manner as to increase amplification due to said repeater.

(h) The term "Chassis" or "Chassis Portion" shall be understood tocover the whole of the radio receiving set, including all electrical and wiring devices, power amplifier and power supply equipment, if such equipment forms an integral part of the said receiving set, but not including the cabinet, renewable batteries or tubes.

3. The Licensee hereby agrees to pay to the Licensor a royalty of ten per cent (10%) of the Licensee's invoice price, as hereinafter defined (before cash discount, freight, royalty or advertising allowances or similar deductions are made), of the chassis portion of all radio receiving sets licensed and sold under this agreement, plus ten per cent (10%) of a fixed nominal invoice valuation of Ten Dollars ($10.00) for the cabinet portion of the said radio receiving set as sold to the using public in Canada.

For the purpose of assessing royalties, the invoice price of the chassis portion of a complete radio receiving set shall be ascertained by taking that proportion of the invoice price of the complete radio receiving set as sold to the using public in Canada, which the manufacturing cost of the chassis, including the usual overhead burden and other standard charges, bears to the total manufacturing cost of the complete radio receiving set including overhead burden and other standard charges as herein defined. The invoice price of the complete radio receiving set, for purposes of royalty, as herein referred to, shall not be less than the "list" or generally advertised Canadian retail

selling price of the complete radio receiving set, less the standard Canadian domestic wholesalers' discount allowed by the Licensee, which discount for purposes of said royalty shall not be greater than 50-10-5%.

In computing royalty payments in respect of licensed apparatus hereunder there shall be deducted from such invoice price of said radio receiving set (if originally included in said invoice price), the Licensee's invoice price of the vacuum tubes which have been purchased by the Licensee for sale with suc hsaid radio receiving set. In no case, however, shall the invoice price of vacuum tubes so deducted be greater than the standard list price of such vacuum tubes less the Licensee's standard or recognized discount to domestic wholesale distributors on complete radio receiving sets, if the Licensee shall sell such apparatus to distributors, or Licensee's discount on complete radio receiving sets to dealers, if the Licensee shall sell such apparatus to dealers.

In order to insure to the Licensor the full royalty payments contemplated hereunder, the Licensee covenants that in the event that any radio receiving set licensed hereunder shall be sold either—(1) to a corporation, firm or association which, or individual who, shall own a controlling interest in the Licensee by stock ownership or otherwise, or (2) to a corporation, firm or association in which the Licensee or its stock-holders shall own a controlling interest by stock ownership or otherwise, the royalty to be paid hereunder in respect of such radio receiving set shall be based upon the invoice price at which such purchaser re-sells said radio receiving set, rather than upon the invoice price of the Licensee.

4. The Licensee within twenty days (20) after and as of the first day of each month during the term of this agreement shall furnish the Licensor with a written statement, in form satisfactory to the Licensor, specifying the total

number and invoice price thereof of radio receiving sets sold under this agreement by the Licensee during the preceding month, or that part of the preceding month during which this agreement shall have been in force, also specifying the Licensee's invoice prices with respect to all types of said radio receiving sets, the type or model number and the trade or brand name, and also specifying the vacuum tubes and other apparatus sold in such licensed set, and the deduction to be made from the Licensee's invoice price in respect thereof in accordance with the provisions of Article 3 hereof. A similar statement shall be rendered within twenty days (20) after and as of the date of the termination of this agreement covering the period from the end of the preceding month to the date of the termination of this agreement. The royalty prescribed herein shall be due and payable on the said twentieth day of each month during the term of this agreement, and on the twentieth day following the termination of this license upon all such radio receiving sets sold by the Licensee during the respective period covered by the statement above mentioned.

The amount required to bring the aggregate royalty payment for any calendar year, or part thereof that this agreement shall be in force up to the amount of the minimum royalty payable for such year or part of year as in Clause Eight hereof provided, shall be due and payable on the tenth day of January next following such calendar year or part of year, or as the case may be, on the tenth day following the date of the termination of this agreement.

Radio Receiving Sets shall be deemed to be sold within the meaning of this agreement when the radio receiving set has been billed to any vendee, consignee or user, or if not billed when it has been shipped, delivered or consigned to any vendee, consignee, or user.

5. The Licensee shall keep full, true and accurate books of account and records of all business done under the li-

cense granted by this agreement, in sufficient detail to enable the Licensor to ascertain what license fees or royalties are due hereunder. The said books and records shall particularly show the number by types of sets made and sold by the Licensee, and the Licensee's invoice price thereon for each type or model (before cash discounts, freight, royalty, advertising allowances or similar deductions have been made). The Licensee's said books of account and records, including information or records concerning cost of materials and manufacturing data shall be open to the inspection of the Licensor or its duly authorized representative at all times, in order to substantiate cost percentages or invoice prices used by the Licensee in computing royalty payments hereunder, and generally the Licensee shall allow such investigations of the Licensee's business and operation in connection with this agreement as may be neecssary to determine the accuracy of the Licensee's accounts, records, reports and payments hereunder.

6. The Licensee shall affix in a conspicuous place on all radio receiving sets manufactured and sold by the Licensee under the terms of this agreement, a license notice bearing the corporate name of the Licensee and the inscription, namely:—"Licensed by Canadian Radio Patents Limited only for the non-commercial reception of public radio telephone broadcasting; Patented 1914, 1916, 1917, 1918, 1919, 1920, 1921, 1922, 1924, 1925, 1926," etc., or as otherwise may be required under the provisions of the Patent Act of the Dominion of Canada.

The Licensee shall, unless otherwise permitted by the Licensor, mark all radio receiving sets manufactured and sold by the Licensee under the terms of this agreement with its own trade-name or trade-mark, and will also observe any reasonable requirements which the Licensor, by notice in writing to the Licensee, may propose for the purpose of preventing the use of said sets otherwise than in accordance with the licenses hereby granted.

All said markings and inscriptions required herein shall be of a prominent, fixed and permanent character displayed in such manner that dealers and wholesale and retail purchasers and users may see the same at the time of purchase and sale, and the Licensee's circulars, price lists and catalogues referring to said radio receiving sets shall also contain the same marking inscriptions or notices.

7. In the event of failure by the Licensee at any time during the continuance in force of this agreement, to render any of the statements called for herein upon any of the prescribed dates or to pay all of the royalties required hereunder when due or to comply with any of the other obligations of this Agreement, or in the event that the Licensee shall make an assignment for the benefit of its creditors, or voluntarily or involuntarily be declared a bankrupt, or if a receiver or liquidator shall be appointed to administer its affairs, the Licensor may at its option, and without prejudice to any of its other legal and equitable rights and remedies under this Agreement, by ten days' notice in writing particularly specifying the breach, terminate the license herein given or granted, and the rights of the Licensee hereunder, unless the Licensee within the said period of ten days shall rectify such breach, in which case this License Agreement shall continue as though no such notice had been given. The deposit in the post-office of a registered post-paid envelope addressed to the last known place of business of the Licensee and containing any such notice, shall constitute due and sufficient service or delivery of such notice as of the date of such deposit. No such cancellation shall release the Licensee from any of the liability accruing to the Licensor hereunder prior to the time such cancellation becomes effective. No failure on the part of the Licensor to exercise its rights of cancellation hereunder for any one or more defaults shall be construed to prejudice its rights of cancellation for any subsequent default.

8. The Licensee further agrees to pay to the Licensor, for each and every calendar year during the time that this agreement shall remain in force, a minimum royalty of Ten Thousand Dollars ($10,000.00) per annum. In case this agreement shall be in force for only a part of any calendar year, the minimum royalty for each year and the amount of sales to which the minimum royalty applies shall be prorated to cover such part of such year as this Agreement shall be in force. Should the license fee payable hereunder for any calendar year amount to less than the said Ten Thousand Dollars ($10,000.00) the Licensor, notwithstanding anything in this agreement to the contrary, may upon failure of the Licensee to pay the difference between the said license fee as payable and the said minimum royalty required, cancel this license by ten days' notice in writing to the Licensee, but such cancellation shall not release the Licensee from its obligations to pay the royalty on the sales of radio receiving sets manufactured by it prior to the time of cancellation.

9. The Licensee covenants that it will, within the scope of this agreement, fully comply with the provisions of the Patent Act of the Dominion of Canada requiring the manufacture of said radio receiving sets mainly within the Dominion of Canada for the satisfaction of the reasonable requirements of the public; but in no event whatsoever shall the Licensee during any calendar year import or cause to be imported directly or indirectly into the Dominion of Canada, radio receiving sets, as herein defined, having an aggregate invoice price of more than $200,000.

The term "Invoice Price" herein when applied to radio receiving sets which may be imported into Canada shall include customs duties, and freight to the point of clearance within Canada. In any event the price of said imported radio receiving sets upon which royalties shall be calculated, shall be not less than the Licensee's standard

price to Canadian domestic wholesalers laid down in Canada, and not less than 50-10-5% off the list or advertised retail selling price to the consumer in Canada of the complete radio receiving set as defined in Article 2, Clause A, Paragraph 2 hereof.

10. Until written notice of change of address is served by either party upon the other, any notice or request with reference to the subject matter of this agreement shall be deemed to have been sufficiently given when, if given to the Licensor, it shall be addressed to Canadian Radio Patents Limited, at its office 212 King Street West, in the City of Toronto, and when, if given to the Licensee it shall be addressed to the Licensee at its office,
and in either case sent by registered mail.

11. Neither this Agreement or any of its benefits shall be directly or indirectly assigned, transferred, divided or shared by the Licensee with any person, firm or corporation whatsoever, without the written consent of the Licensor. This Agreement and the License hereby granted shall terminate unless otherwise agreed in writing by the Licensor, upon any attempt by the Licensee to assign the same or upon the acquisition directly or indirectly of a controlling interest by stock ownership or otherwise in the Licensee by any other corporation, firm or person not holding a like license for radio receiving sets from the licensor. The Licensee agrees to permit the authorized representatives of the Licensor to examine the stock register books of the Licensee at any time upon reasonable notice. This Agreement shall enure to the benefit of the successors and assigns of the licensor, but shall not enure to the benefits of the successors and assigns or legal representatives of the Licensee, without the written consent of the Licensor.

12. Unless sooner terminated as hereinbefore provided, this Agreement shall continue in force to the end of the term of the latest patent now or hereinafter included in

this license, insofar as concerns the patent or patents then in force. The termination of this license for any reason whatsoever shall not relieve the Licensee from any of its liabilities acruing prior to such termination. The expression "term of this agreement" or similar expression, wherever used herein shall be deemed to be the period during which this Agreement shall remain in force as herein provided.

13. The License Agreement between the parties hereto, or their predecessors in title, dated ..... A. D. 192....., is hereby cancelled and terminated.

14. This License Agreement, except as otherwise provided, shall be deemed to have been in full force and effect as of and from the First day of April A. D. 1929.

In Witness Whereof the parties hereto have caused these presents to be executed by their proper officers thereunder duly authorized, and their corporate seal to be hereunto affixed as of the day and year first above written.

Canadian Radio Patents Limited.

Witness:

.....

.....

President.

.....

Secretary.

.....

Witness:

.....

.....

President.

.....

Secretary.

SCHEDULE "A".

RADIO RECEIVING SET LICENSE, CANADA.

A. Patents owned by Canadian General Electric Company, Limited.

1. 241,138	June 24, 1924	Rice	Amplification of Small Currents
2. 208,583	Feb. 15, 1921	Alexanderson	Selective Tuning Systems.
3. 244,847	Nov. 25, 1924	Langmuir	System of Amplifying Variable Currents.

Power Supply and Amplifier Units.

1. 220,741	July 11, 1922	Hull	Method of and means for obtaining Constant Direct Current Potentials.
2. 214,464	Nov. 29, 1921	White	Circuit connections of Electron Discharge Apparatus.
3. 198,076	Mar. 9, 1920	Langmuir	Method of and means for controlling Electric Current.
4. 263,962	Aug. 31, 1926	Rice & Kellogg	System for Amplifying.
5. 196,145	Jan. 13, 1920	Langmuir	Amplification of Variable Currents.

B. Patents owned by Western Electric Company, Incorporated and Northern Electric Company Limited.

1. 209,777	Mar. 22, 1921	Mathes	Vacuum Tube Filament and Plate Compensation.
2. 213,999	Oct. 25, 1921	Arnold	Gaseous Repeaters.
3. 174,690	Jan. 23, 1917	Hartley	Electric Circuits.
4. 183,276	Mar. 26, 1918	Nichols	Vacuum Tubes Circuits.
5. 183,275	Mar. 26, 1918	Mathes	Circuits for Electric Discharge Devices.

Power Supply and Amplifier Units.

1. 218,067	April 25, 1922	Arnold	Thermionic Amplifier.
2. 208,862	Feb. 22, 1921	Scriven	Vacuum Tube Apparatus.
3. 183,275	Mar. 26, 1918	Mathes	Circuits for Electric Discharge Devices.
4. 188,399	Jan. 21, 1919	Heising	Circuit Connections of Electron Discharge Apparatus.

C. Patents owned by Canadian Westinghouse Company Limited.

216.321	Mar. 7, 1922	Armstrong	Wireless Receiving System.

D. Patents owned by Canadian Marconi Company.

1. 179,703	Oct. 9, 1917	Round	Continuous Electrical Oscillations.
2. 187,793	Dec. 3, 1918	Franklin	Receivers for Wireless Telephony.

E. Patents owned by Rogers Majestic Corporation Limited (formerly Standard Radio Manufacturing Corporation Limited).

1. 159,794	Dec. 29, 1914	DeForest	Amplifying and Reproducing Sounds.
2. 169,332	May 9, 1916	DeForest	Wireless Receiving Systems.
3. 218,235	May 2, 1922	DeForest	Radio Signalling Systems.
4. 174,361	Jan. 9, 1917	DeForest	Wireless Telegraph and Telephone Systems.
5. 218,468	May 9, 1922	DeForest	Selective Audion Amplifier.
6. 218,238	May 2, 1922	Logwood	Oscillation Generator Systems.
7. 218,242	May 2, 1922	DeForest	Amplifying Pulsating Electric Currents.
8. 218,473	May 9, 1922	DeForest	Audion Circuit.
	Power Supply and Amplifier Units.		
1. 181,500	Jan. 8, 1918	DeForest	Telephone and Telegraph Systems.
Patent owned by Canadian Radio Patents Limited.			
251,845	July 21, 1925	Cardwell	Variable Air Condensers.

DEFENDANT'S EXHIBIT NO. 148

Canadian Radio Patents Limited
159 Bay Street
Toronto

November 30, 1936

Mr. E. A. Tracey,
Vice President,
Zenith Radio Corporation,
Chicago, U. S. A.

Dear Sir:

Mr. M. M. Elliott of the Canadian Marconi Company has referred to me your letter of November 18th with reference to the radio patent situation in Canada.

Enclosed I am sending you a notice which contains a list of the concerns in Canada to whom licenses have been reserved or granted by us and also a partial schedule of

the patents and patent rights which we own or control. I may say that in addition to this we have the continuing rights in the radio receiving set field under all RCA developments and patents inas far as Canada is concerned.

By reason of the requirements of the Canadian Patent Act, it is not the policy of this Company to grant licenses for the importation of radio receiving sets into Canada. It has been our practice to require that our licensed companies manufacture in Canada to a sufficient extent to meet the reasonable requirements of the public.

Our present standard royalty arrangement is 10% of the invoice value of the chassis portion of the set, plus certain other additions, and the standard agreement provides for a minimum annual royalty of $10,000.00.

Whether or not a license will be granted to your Company to manufacture and sell receivers in Canada will, of course, be a matter which our Board of Directors must decide, and if you are desirous of obtaining such a license, it is suggested that you make formal applications so that the matter may be placed before our Board for consideration.

Yours truly,

Illegible,

GFB/h *Manager.*

Announcement.

We again desire to announce that under the patents controlled by Canadian Radio Patents Limited, for the manufacture and sale in Canada of Radio Receiving Sets to be used only for the non-commercial reception of public radio telephone broadcasting, Licenses have been reserved or granted to the following:—

1. Canadian General Electric Company, Ltd. (General Electric).
2. Canadian Westinghouse Company, Ltd. (Westinghouse).
3. Northern Electric Company, Ltd. (Northern Electric).
4. Canadian Marconi Company (Marconi).
5. Rogers-Majestic Corporation, Ltd. (Rogers, Majestic, Deforest).
6. Dominion Electrohome Industries, Ltd. (Phonola).
7. Mohawk Radio Ltd. (Lyric Andrea).
8. Philco Products of Canada, Ltd. (Philco).
9. Sparton of Canada, Ltd. (Sparton).
10. Stewart-Warner-Alemite Corporation, Ltd. (Stewart-Warner).
11. Stromberg-Carlson Telephone Manufacturing Co., Ltd. (Stromberg-Carlson).
12. R. C. A. Victor Company, Ltd. (R. C. A. Victor).

Radio Receiving Sets manufactured by others, or imported into or sold in aCnada, embodying the following features:—

(a) Regeneration feed back, or oscillation.
(b) Tuned radio frequency.
(c) Grid leak detection.
(d) Neutralization of inter-electrode capacity.
(e) Power amplification and power supply.
(f) Superheterodyne circuits.

are infringements of the patents controlled by Canadian Radio Patents Limited.

Among these patents ar the following:—

241,138 Rice	187,793 Franklin
208,583 Alexanderson	218,235 DeForest
244,847 Langmuir	218,468 DeForest
220,741 Hull	218,238 Logwood
214,464 White	218,242 DeForest
198,076 Langmuir	218,473 DeForest
263,962 Rice & Kellog	181,500 DeForest
196,145 Langmuir	251,845 Cardwell
209,777 Mathes	
213,999 Arnold	
183,276 Nichols	
183,275 Mathes	
218,067 Arnold	
208,862 Soriven	
183,275 Mathes	
188,399 Heising	
216,321 Armstrong	

This announcement is made to direct the attention of manufacturers, importers, purchasers or users of radio receiving sets to the patent situation affecting such apparatus and that unlicensed use of these inventions will involve liability to Canadian Radio Patents Limited.

Canadian Radio Patents Limited,
159 Bay Street,
Toronto.

DEFENDANT'S EXHIBIT NO. 149.

Canadian Radio Patents Limited
159 Bay Street
Toronto

September 12, 1951.

Mr. Bruce L. Birchard,
Patent Department,
Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, Ill.,
U. S. A.

Dear Mr. Birchard:

I have your letter of September 10th with reference to the revised list of patents that we are now working on for inclusion in the standard CRPL output license agreement for radio and television receivers but, in looking over the status of this work, it appears that it will still be several weeks before the list will be finalized and printed. We are still waiting on lists from two of the companies involved, and there is also under consideration broadening the scope of the CRPL output license agreement to include other electronic fields and thus bring in additional patents.

We are completely out of copies of the Schedule "A" that is in our existing agreement but I have extracted a copy of said Schedule "A" from a cancelled license and I am enclosing it in the hope that it will be of some value to you until the other list is completed.

Although our licensees are covered under the RCA Canadian Patents and also those of Philco, neither of these groups were included in the Schedule "A" as originally printed. However, as previously indicated, the coverage

offered to our licensees is all of the present and future patents in these fields covering inventions originating with such companies as RCA, General Electric, Westinghouse, Northern Electric (Western), Marconi, Rogers (including Philips), Philco, Hazeltine and certain patents that have been purchased of various inventors and companies by Canadian Radio Patents Limited.

Yours very truly,

Illegible,
Secretary-Treasurer.

SDB/NC
encl.

September 10, 1951.

Mr. S. D. Brownlee
Canadian Radio Patents Limited
159 Bay Street
Toronto, Canada

Dear Mr. Brownlee:

I am in receipt of the license agreement you sent me on September 6, 1951. I would appreciate your sending me another copy of the license agreement with the revised schedule A attached as soon as it is available so that we will have the complete picture before us. I would like an indication from you as to when you think this revised schedule will be available.

Very truly yours,

Bruce L. Birchard
Patent Department

BLM:MLM

Canadian Radio Patents Limited
159 Bay Street
Toronto

September 6, 1951.

Mr. Bruce L. Birchard, Attorney,
Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, Ill.,
U. S. A.

Dear Mr. Birchard:

As requested in your letter of August 31st, we are enclosing a copy of the standard CRPL output license agreement for radio and television receivers and electric phonographs.

The list of patents is not attached to this copy in view of the fact that we are currently revising the list to bring it up to date but, as previously noted, our license includes the present and future patents in these fields covering inventions originating with such companies as RCA, General Electric, Westinghouse, Marconi, Northern Electric (Western), Rogers (including Philips), Philco, Hazeltine Corporation and others.

Yours very truly,

Illegible,
Secretary-Treasurer.

SDB/NC
encl.

DEFENDANT'S EXHIBIT NO. 150.

(Letterhead of Zenith Radio Corporation, Chicago 39.)

July 21, 1953.

Mr. Stewart Brownlee, Secretary-Treasurer
Canadian Radio Patents, Ltd.
159 Bay Street
Toronto, Canada

Dear Mr. Brownlee:

Your records will show that we have had considerable previous correspondence regarding the possibility of Zenith Radio Corporation securing a license under the Canadian radio patent pool.

In the past we have been consistently advised that the only license available to us would be one restricted either to an arrangement whereby the goods would be manufactured in the Dominion of Canada by a member of the pool or for the manufacture by Zenith in Canada, but that in no event would such license permit the importation into Canada of radio and televsion receivers manufatcured in the United States.

You will further recall that when Zenith Radio Corporation receivers were imported into Canada during 1951 by a distributor in Winnipeg, representatives of the Canadian Radio Patents, Ltd. threatened the distributor with legal proceedings if such importation of Zenith merchandise continued.

We are still interested in entering the Canadian market and I will appreciate your advice as to whether it is now possible to secure a license from Canadian Radio Patents,

Ltd. which will permit importation into Canada of Zenith radio and television receivers manufactured in the United States.

Very truly yours,
Illegible.

J. A. Miguel, Jr./b

Air-Mail

Canadian Radio Patents Limited
159 Bay Street
Toronto

July 23, 1953.

Mr. John A. Miguel, Jr.,
Manager International Division,
c/o Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, U. S. A.

Dear Mr. Miguel:

We have your letter of July 21st with reference to the requirements of the Canadian Patent Act and the licensing policy of Canadian Radio Patents Limited.

There has been no change in the "working in Canada" requirements of the Canadian Patent Act or in the specific rulings with respect to Canadian Radio Patents Limited given by the Canadian Commissioner of Patents to the effect that CRPL cannot grant licenses for importation.

All of the companies selling radio or television receivers in Canada are licensed under the patents owned or administered by Canadian Radio Patents Limited and all of these companies are manufacturing their receivers in Canada in accordance with the requirements of the Canadian Patent Act.

We will be pleased to grant Zenith a license under the same terms and conditions as the other royalty paying licensees, but one of the provisions is to manufacture in accordance with the requirements of the Canadian Patent Act.

If you require any further details, please do not hesitate to call upon us.

Yours very truly,

S. D. Brownlee,
Secretary-Treasurer.

SDB/dh

DEFENDANT'S EXHIBIT NO. 151.

Conference

Canadian Radio Patents Limited
Mr. B. McConnell, President

Zenith Radio Corporation of Canada, Ltd.
Mr. L. B. Kiely, Mr. S. L. Capell

Date: July 30, 1958

Place: Toronto Board of Trade

Time: July 30, 1958, 11:00 a.m.

Mr. Brian McConnell, President, Canadian Radio Patents Limited, 200 St. Clair Avenue West, Toronto, phoned me on July 25, for the purpose of setting up an appointment to discuss matters of mutual concern. I advised Mr. McConnell that July 30 would be the earliest date possible and that I would confirm this date on the morning of July 30, to be sure both parties were available.

Mr. S. L. Capell and I had other business down-town on July 30. Therefore, Mr. Capell accompanied me to the Board of Trade to meet Mr. McConnell at 11:00 a.m.

Mr. McConnell opened the discussion with the suggestion that he would like to know more specifically what Zenith plans and objectives are in Canada, as he and his group had no further knowledge than had been published in various news releases.

Mr. McConnell wished to determine:

Were Zenith importing sets now? He understood such was the case.

Was Zenith planning to set up Canadian manufacturing at some future date?

To the first question, I answered "Yes, Zenith are importing sets into Canada now."

To the second question, I answered that there had been no decision a syet by senior officials of the Company regarding the matter of Canadian production in the future, or if any decision had been made, it had not been expressed as an opinion by the Company at this time.

Mr. McConnell told us that he had read of the litigation in the United States, involving Zenith with R.C.A. Victor and other prime tube patent holders, and he assumed that the agreements that concluded this litigation would be extended to Canada by the parties involved.

He was of the opinion, however, that Zenith television receivers and high-fidelity instruments might infringe patents controlled by Canadian Radio Patents Limited, such as:

Parker—held by C.R.P.L.
Armstrong, F.M.—Represented by C.R.P.L.
some Marconi patents—Represented by C.R.P.L.
some Philips patents—Represented by C.R.P.L.

Mr. McConnell told us that under Sections 67 and 68 of the Canadian Patent Act, any of the patents or groups of patents controlled by C.R.P.L. that might be infringed by Zenith equipment in Canada could result in such patents being categorized as "Abused" by the Commissioner of

Patents, in the event that action for infringement by patent-holders was not initiated within the prescribed period after importation, as spelled out in Sections 67 and 68 of the Canadian Patent Act.

Mr. McConnell then requested that we supply him with a couple of schematic diagrams of Zenith television equipment (two typical chasses), and I offered to do so, inasmuch as these schematic diagrams are readily available through any Zenith dealer. Mr. McConnell explained that the diagrams would be examined by C.R.P.L. principals and that in all probability the Philips engineering division in Canada would accept this assignment for the Canadian Radio Patents Limited. He told us that in the event infringement of patents held by Marconi, Philips, or C.R.P.L. patents administered in Canada under the name of Parker or Armstrong F.M. was indicated by the examination, he would like a meeting to discuss the problem with Zenith representatives, to forestall a serious situation for C.R.P.L. under the Canadian Patent Act.

The conference closed with the understanding that we would supply the Zenith schematics to Mr. McConnell. These would be examined by the engineering division of one of the C.R.P.L. members, and subsequently, Zenith would be notified of the findings of this examination.

Yours very truly,

Lloyd B. Kiely,
General Manager.

LBK:hh

DEFENDANT'S EXHIBIT NO. 152.

Meeting with Mr. Brian McConnell

July 30, 1958

Place: Toronto Board of Trade

Time: 11 a.m., July 30, 1958

Present: Mr. Brian McConnell, C.R.P.L.; Messrs. L. B. Kiely, S. L. Capell, Zenith Radio Corporation of Canada, Ltd.

This meeting resulted from a telephone call to Mr. Kiely from Mr. McConnell, stating that he wished to call on Zenith Radio Corporation of Canada, Ltd. to discuss C.R.P.L. matters.

Mr. Kiely reported this telephone call to Mr. Wright, who advised Mr. Kiely to meet with Mr. McConnell and hear what he had to say, but to give no information regarding Z.R.C. of C., Ltd.

Mr. McConnell opened the discussion by stating that he would like to know something about Zenith activities in Canada, as all he knew was what he had read in the papers. Was Zenith importing sets, T.V. and radio? He assumed so. Did Zenith have in mind continuing to import, or would Canadian manufacturing follow? Mr. Kiely did what little talking there was on behalf of Z.R.C. of C., Ltd., Mr. Capell being present solely as a witness. Mr. Kiely was completely non-committal, stating that these were matters that would be decided in due course and nothing could be said at this time.

Mr. McConnell then stated that he had read that Zenith in the U.S.A. had made arrangements with R.C.A. and G.E. for use of their patents and he assumed these arrangements would also extend to Canada.

He was concerned, however, that Zenith television receivers and high-fidelity instruments might infringe patents represented by C.R.P.L. such as:

Parker—held by C.R.P.L.

Armstrong
Marconi
Philips
—represented by C.R.P.L.

Mr. McConnell stated that if these patent holders licensed the importation of goods using their patents, the Commissioner of Patents, under the Canadian Patent Act, Sections 67 and 68, might rule that these patents (exclusive rights thereto) abused.

Mr. McConnell then suggested that Zenith supply C.R.P.L. with schematic diagrams of two average Zenith television receiver chassis, so that C.R.P.L. could determine if any of the patents they were representing, other than R.C.A. or G.E., were being employed. If their examination showed infringement, he would like a meeting to discuss the problem with Zenith because it would create a serious situation for C.R.P.L. under the Canadian Patent Act.

Mr. Kiely said such schematics of current receivers could be obtained from servicing dealers, but that as a courtesy we might be able to supply them.

Mr. Kiely then suggested that there was nothing more to talk about until C.R.P.L. had determined whether or not Zenith was, in C.R.P.L.'s opinion, infringing any of the patents they were representing. Mr. McConnell agreed, and the meeting then adjourned to the dining room, where Mr. Kiely provided lunch.

S. L. Capell.

:hh

DEFENDANT'S EXHIBIT NO. 153.

Canadian Radio Patents Limited
200 St. Clair Ave. West
Toronto

April 16, 1959.

Mr. P. Curtis,
Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, Illinois.

Dear Mr. Curtis:

Mr. Kiely informed me this morning that you would like to have details of the patent coverage which we hold relating to Zenith receivers being offered for sale in Canada.

I am pleased to supply this information and I hope that it will be of assistance during the forthcoming meeting between us which Mr. Kiely is kindly arranging.

The following remarks pertain to your Devon 21 television receiver identified as No. B-2225. A physical investigation of this unit has disclosed that it incorporates the inventions of the following Canadian patents:

1. No. 441,777—Armstrong—This patent corresponds ot United States patent No. Re. 21660. We have heard on several occasions from United States sources that the United States patent is considered to be invalid. We have had a thorough investigation in respect to the Canadian patent and the evidence indicates the patent to be valid in this country. It is quite possible, of course, that the United States patent could be invalid and the Canadian patent valid in view of differences in the Patent Acts of the two countries and the judicial interpretation placed thereon.

2. No. 474,968—This patent is owned by Hazeltine Corporation and corresponds to United States patent No. 2,525,919.

3. No. 562,773—This patent is owned by Philips and corresponds to United States patent No. 2,805,384. I am advised by Philips that due to the fact that the Canadian and United States applications were independently prosecuted by different attorneys, the claims in the two applications differ considerably. Consequently I will obtain a copy of the Canadian patent and will forward it to you as soon as it is received.

In order that we might have as much information as possible before us in anticipation of the meeting in Chicago I wonder if you would be so good as to send me a list of any Canadian Zenith patents which you consider may be used either by (a) yourselves, or (b) by others in Canada.

I understand from Mr. Kiely that your shareholders meeting has caused a slight deferment of the meeting between us but I trust that this will not be too long delayed and that we may discuss the Canadian patent situation relative to your operations in Canada in the near future.

Yours very truly,

B. McConnell,
President.

BMc:jm

DEFENDANT'S EXHIBIT NO. 154.

Canadian Radio Patents Limited
200 St. Clair Ave. West
Toronto

June 5, 1959.

Mr. F. W. Crotty,
Zenith Radio Corporation,
6001 West Dickens Avenue,
Chicago, Illinois,

Dear Mr. Crotty:

During the discussions with yourself and Mr. Curtis in your office on May 12th you requested a copy of one of our present standard license agreements together with further information relative to Canadian patent No. 562,773.

A blank copy of an agreement is enclosed herewith.

With regard to the patent and its use in Zenith television receiver No. B-2225, I have had this matter reinvestigated and there is no doubt in our minds that the invention covered by the patent is used in this receiver. The tests show this quite conclusively. To explain this by correspondence would, however, be a most difficult task as I surmised, and I would suggest therefore that, if possible, you visit Toronto at which time a test demonstration can be arranged for you.

As indicated during our discussions I was under the impression Zenith of Canada had decided to manufacture receivers in this country. You indicated that no such decision had been made and that the matter was still under consideration.

Yours very truly,

BMcC:jm
Encl.

B. McConnell,
President.

DEFENDANT'S EXHIBIT NO. 155.

February 13, 1951.

Consolidated Motors Limited,
Parts and Accessories Division,
229 Main Street,
Winnipeg, Man.
Gentlemen:

For your information, we are enclosing copy of a warning ad that we have recently been running in Canadian radio trade publications.

We believe that this ad is self-explanatory and we wish to emphasize that it is our intention to protect our patent rights by legal action if necessary in case of sale of radio receivers not manufactured under license from Canadian Radio Patents Limited.

Yours very truly,

SDB/NC
encl.

.....
Secretary-Treasurer.

(Letterhead of Consolidated Motors Parts, Winnipeg, Canada.)

February 14, 1951.

Canadian Radio Patents Ltd.
159 Bay Street,
Toronto, Ontario.

Gentlemen:

I acknowledge your letter of February 13th, and attached to it a notice to importers regarding radio and television receivers.

We are at a loss to understand why this has been brought to our particular attention as the majority of the radios which we purchase are purchased from Canadian manufacturers.

I would appreciate if you would give us an explanation as to why this has been brought to our attention.

Yours truly,

"Consolidated"
A. G. Lush
Manager.

A. G. Lush/is

Canadian Radio Patents, Limited
Copy for Enclosure to

February 16, 1951.

Mr. A. G. Lush, Manager,
Consolidated Motor Parts,
229 Main Street,
Winnipeg, Man.

Dear Mr. Lush:

We have your letter of February 14th requesting further information as to why we forwarded a copy of the warning notice that CRPL has been running in the Canadian trade papers.

Quite frankly, we had received at least three reports from different sources to the effect that you were considering the distribution of Zenith imported radio receivers in the Province of Manitoba and that some Zenith receivers are already in dealer stores to be offered for sale when CSA approval is received. We have not had an opportunity of confirming these reports but, in case you were unaware of our position in this matter, we thought it only fair to send you copies of our warning notice.

If the reports we have received are incorrect, no harm is done but, if they are correct, we are fully prepared to proceed with legal action against anyone offering for sale receivers that infringe patents administered by Canadian Radio Patents Limited and not manufactured by our licensees.

Yours very truly,

SDB/NC

Secretary-Treasurer.

DEFENDANT'S EXHIBIT NO. 156,

(Letterhead of Consolidated Industries Ltd., Winnipeg, Canada.)

February 21, 1951.

Zenith Radio Corporation,
International Division,
6001 Dickens Ave.,
Chicago 39, Illinois.

Attention: Mr. J. A. Miguel, Jr.

Dear Sir:

Thank you for your telegram received today with reference to our request for information as to license by Canadian Radio Patents Ltd. As our Mr. Lush is out of town at present we are suspending sales of your radio until his return, when we hope to have our position clarified. We will also advise you as soon as we can whether or not to ship the 61 radios you are holding for us.

Your very truly,
Consolidated Industries Ltd.
Per B. Coleman

B. Coleman/is

(Form of Western Union Telegram.)

No. Wds.-Cl. of Svc.—Nite Ltr. Pd. or Coll.—Paid
Charge to the Account of—X-862 Time Filed—2-20-51

A. G. Lush
Consolidated Industries Ltd.
229 Main Street
Winnipeg, Manitoba

Retel 19th we are not licensed yet by Canadian Radio Patents Limited. We understand they do not license unless established to manufacture in Canada. Withholding further shipment till we hear from you.

J. A. Miguel
Zenith Radio Corporation

JAM/b

DEFENDANT'S EXHIBIT NO. 157.

May 7, 1951

Consolidated Industries, Ltd.
229 Main Street
Winnipeg, Canada

Att: Mr. B. Coleman

Gentlemen:

As requested in your letter dated April 27, we enclose, herewith, our Check No. 289629 in the amount of $1,766.18 in liquidation of the credit balance on our books in your favor in accordance with the attached statement.

We sincerely regret that conditions did not make it possible for you to import and sell the sets for which your remittance was originally intended. However, as soon as conditions make it possible for us to enter into the Canadian market without any problems or difficulties, we shall be glad to get in touch with you again.

Very truly yours,

J. A. Miguel, Jr.,
Manager International Division.

JAM/b
Air-Mail
Encl. Ck. 289629

Consolidated Industries, Ltd.
229 Main Street
Winnipeg, Manitoba, Canada

2/19	cash		1,768.96
2/23	R20032	1.60	parts—EP06598—Tel. 2/16
3/15	R20638	.39	parts—EP06792—Tel. 2/22
4/16	R21500	.79	parts—EP07082—Tel. 4/15 (Door—L.H.)
			1,766.18

2 letters Zenith - Bonfig Exh.

CONSOLIDATED
APPLIANCE AND EQUIPMENT DISTRIBUTORS
Industries Ltd.

ELECTRIC APPLIANCES - LAWN MOWERS - EQUIPMENT - SPORTING GOODS

TELEPHONE 924 868

229 Main Street
WINNIPEG, CANADA

April 27, 1951.

Zenith Radio Corporation
International Division
6001 Dickens Ave.,
Chicago 39, Illinois.

Attention: Mr. J. A. Miguel

Dear Sirs:

In view of the fact that we have been prevented from offering Zenith radios for sale in Canada at the present time by the Canadian Radio Patents Ltd, we have no alternative but to cancel the order we have with you for a quantity of radios and combinations. We would, therefore, appreciate if you would issue your cheque to cover the amount of credit balance on your books which, according to the last statement from your Company, is $1,766.97.

We regret having to make this request, but as you will understand, there is no alternative for us.

We do hope that as soon as conditions warrant, and you are prepared to enter the Canadian market on a coast to coast basis, you will certainly keep us in mind for Western Canadian territory.

Yours very truly,

CONSOLIDATED INDUSTRIES LTD

Per B Coleman

B.Coleman/is

RECEIVED
APR. 30 1951
J. A. MIGUEL, JR.

2387

DEFENDANT'S EXHIBIT NO. 158.

CONSOLIDATED
APPLIANCE AND EQUIPMENT DISTRIBUTORS
Industries Ltd.

ELECTRIC APPLIANCES - LAWN MOWERS - EQUIPMENT - SPORTING GOODS

TELEPHONE 924 888

229 Main Street
WINNIPEG, CANADA

June 12, 1951.

Hazeltine Research, Inc.
vs. Zenith Radio Corporation
Defendant's Exh. No. 158
C.A. No. 59-C-184

Paid
Letter was already cancelled

Zenith Radio Corporation,
International Division,
6001 Dickens Ave.,
Chicago 39, Illinois.

Gentlemen:

Please cancel our orders 10915 and 10916 until further notice.

The reason for this being as yet no final C.P.R.A. Approval has been received. We hope shortly that this Approval will be forthcoming, so that we may have the opportunity of going all-out for Zenith in Canada.

Trusting that this is satisfactory, we are

Yours very truly,

CONSOLIDATED INDUSTRIES LTD

W. H. Gray

W. H. Gray,
Appliance Manager.

WHG/is

RECEIVED
JUN 14 1951
J. A. MIGUEL, JR.

1851

DEFENDANT'S EXHIBIT NO. 159.

May 1, 1952

Consolidated Industries, Ltd.
229 Main Street
Winnipeg, Canada

Att: Mr. A. G. Lush, Manager

Gentlemen:

Thank you for your letter of April 24.

We, too, would like very much to have our radios sold in the Canadian market, but, unfortunately, our products are not yet licensed by the Canadian Radio Patents Pool. Until such time as this patent matter is cleared, we regret that we cannot offer our radios for export to and resale in Canada.

Best regards.

Very truly yours,

(Illegible)

J. A. Miguel, Jr./b

Air-Mail

(Letterhead of Consolidated Industries Ltd., Winnipeg, Canada.)

April 24, 1952.

Zenith Radio Corporation,
International Division,
6001 Dickens Ave.,
Chicago 39, Illinois.

Attention: Mr. J. A. Miguel, Manager.

Dear Sir:

Since the Canadian dollar is at a premium over the American dollar and our excise tax has been cut, it now puts us in a position to import from United States the Zenith Radios at a price in comparison with Canadian made.

I would appreciate if you would be kind enough to forward to us 24 only Standard Clock Model Radios (not Deluxe Model); 24 only J-402 Portables and 6 only Trans-Oceanic. We would also appreciate if you would forward, under a separate mail, catalogues on your latest Console Models as well as distributor's cost price.

We look to a great volume of business in the very near future as we have been advised by our Government to make as many purchases as possible in United States in view of the Canadian dollar position.

Kindest regards.

Yours truly,

Consolidated Industries Ltd.
A. G. Lush,
Manager.

A.G.Lush/is

DEFENDANT'S EXHIBIT NO. 160.

The Winnipeg Supply & Fuel Co. Ltd.
8th Floor—Boyd Building
Winnipeg, Man.

April 11th, 1953.

Mr. Raul Gonzales
International Division
Zenith Radio Corporation
6001 Dickens Avenue
Chicago 39, Illinois

Dear Mr. Gonzalez:

We have your letter of March 27th in reply to our earlier inquiry of March 23rd regarding distribution of your television and radio equipment in Canada.

You have stated in the second paragraph of your letter that you are not exporting to Canada at the present time because our Canadian Radio Patent Pool does not make it possible for you to secure patent coverage for imported instruments.

Because we already represent some large American concerns in Western Canada who do not manufacture in this country, we felt that it was strange if there was some special law that had reference to the type of equipment manufactured by your organization.

Now this may be but according to our Legal Advisors, there does not appear to be anything in our Canadian Patent Laws which would prohibit your exporting and having your product distributed in Canada.

There is however, an aspect of our existing patent law which may be guiding your thinking and that is that if a patentee has not commenced to manufacture to an adequate

extent and supply on reasonable terms, the patented article, within 3 years from the date of the patent, and if the manufacturer refuses to grant a license or distributorship on reasonable terms, any interested party may make an application to the Commissioner of Patents for an Order that the manufacturer be forced to grant a license of his manufacturing rights under the patent upon such terms as to royalties, etc., as the Commissioner may deem equitable.

However, of course, this provision is overcome providing you have active distribution of your products in this country irrespective of whether they are manufactured here or not.

We thought you would like to have this information if it is of any value to you and are writing you again reiterating our interest in the possible future distribution of your products in this country.

Cordially yours,

The Winnipeg Supply & Fuel Co. Limited,
(Signed) R. A. W. Vidler,
Research Department.

R.A.W.Vidler/vmci

DEFENDANT'S EXHIBIT NO. 161.

(Letterhead of Ideal Electric Supply Co., Truro, N. S.)

August 20th, 1954.

Zenith Radio Corporation,
6001 Dickens Ave.,
Chicago 39, U. S. A.

Attention: Mr. Joseph S. Wright,
General Counsel

Dear Sir:

We are enclosing a copy of a letter received this morning from Canadian Radio Patents Limited, as per your request on July 21st.

Yours sincerely,

Ideal Electric Supply Co.,
N. A. MacCuspie,
President.

J/

Enc. 1.

Copy

Canadian Radio Patents Limited,
200 St. Clair Ave. West, Toronto.

August 16, 1954.

Mr. N. A. MacCuspie, President,
Ideal Electric Supply Company,
Truro, N. S.

Dear Mr. MacCuspie:

Your letter of July 29th was delayed in reaching us due to the fact that it was mailed to 159 Bay St., our former address.

We have rechecked with the patent attorneys and engineers responsible for examining the circuit diagrams of all unlicensed receivers brought to our attention and they have indicated that the Canadian patents owned or administered by CRPL covering inventions utilized in the Zenith television receivers include, amongst others, Canadian patents 356,764—Simonds, 378,393—Gunther, 383,276—Vance, 398,523—Wheeler, 400,539—Ballard, 405,905—Delvaux, 409,049—Poch, 409,244—Bedford, 457,328—Parker, 466,035—Porsch and 476,757—Seeley.

The solicitors that will act for us in this case are Gowling, MacTavish, Osborne and Henderson of 88 Metcalfe Street, Ottawa and if we do not hear from you within the next ten days, in accordance with the original request for advise that you have discontinued the sale of unlicensed receivers, we will turn the matter over to our solicitors with instructions to commerce an action in the Exchequer Court of Canada.

Yours very truly,

S. D. Brownlee,
President.

SDB/ml

Mr. N. A. MacCuspie, President, July 21, 1954
Ideal Electric Supply Co.,
Truro, Nova Scotia,
Dominion of Canada.

Dear Mr. MacCuspie:

Mr. Miguel handed me your letter of July 16, 1954 and we have noted with considerable interest the letter from Mr. S. D. Brownlee of July 6, 1954 and particularly his statement in the first paragraph that it has been reported by his patent attorneys and engineers that the Zenith television receivers "infringe various Canadian patents of invention either owned by this Company or under which this Company has licensing rights."

It would be very interesting to us to know just what patents are considered to be infringed by just what Zenith television receivers. We will appreciate your inquiring of Mr. Brownlee and asking him for this information. Upon receipt of it we will be very happy to examine the patents in question and adivse you further with regard thereto.

In the meantime, we are unable to indemnify you against any litigation which might result from your sale of Zenith television receivers in the Dominion of Canada, but we will of course be very happy to cooperate fully with you in the defense of any litigation which should be instituted.

For your information, Zenith has been in litigation in the United States for a number of years on the question of the legality of the American patent pool and we have also filed an action in the courts here in Chicago in which we are seeking damages because of the alleged wrongful activities of the radio pool in seeking to prevent us from marketing our merchandise in the Dominion of Canada.

We will appreciate very much hearing further from you and obtaining any additional information that you may secure.

Very truly yours,

Joseph S. Wright.

JSW:moh

cc: Messrs. Miguel
Curtis

(Letterhead of Ideal Electric Supply Co., Truro, N. S.)

July 16, 1954.

Zenith Radio Corporation,
6001 Dickens Ave.,
Chicago 39, U. S. A.

Attention: Mr. Walter R. Peirels,
Asst. Sales Mgr., International Division.

Dear Sir:

We recently received a letter dated July 6th from Canadian Radio Patents Ltd., 159 Bay Street, Toronto (a copy of which is enclosed) with regard to us selling Zenith Television receivers of U. S. manufacture in Canada and according to their letter these receivers evidently are infringing on various Canadian patents of invention either owned by Canadian Radio Patents Ltd. or under their licensed rights.

We must say we are a bit concerned about this at the moment as we were quite hopeful that we would be doing quite a volume in this part of Canada on Zenith television sets for the balance of the year. At the moment we only have one station operating in the Maritime Provinces, within the next three months we will have four stations

operating which would certainly boost our sales and get Zenith television on the market in these parts.

If in fact the Zenith sets do infringe any Canadian patent owned by Canadian Radio Patents Ltd. or on which that Company has licensed rights then the owners of the rights have the right to sue the person who sells one of these sets for infringing the patent or licensing rights. Whether the sets do infringe said patents or rights is a matter which could not be determined without the assistance of Patent Attorneys in Ottawa and Patent Engineers also probably in Ottawa, and even after the most careful examination by such Attorneys and Engineers the matter may still remain uncertain.

Therefore we wish to advise that we cannot accept the risk of continuing to sell or distribute these sets while the question of the patent remains in doubt; and that unless you provide us with some satisfactory guarantee of indemnity against loss, we will have to discontinue at once the sale of such television sets until the question is settled.

In the meantime if you will kindly hold up all shipments of television receivers to us until we have a reply from you, as possibly you may be able to give us some light on this problem.

Thanking you in anticipation of an early reply, we remain,

Yours very truly,

Ideal Electric Supply Co.,
N. A. MacCuspie/B,
N. A. MacCuspie.
President.

NMC:JB

Canadian Radio Patents Limited
159 Bay Street
Toronto

July 6, 1954.

Registered Mail
Ideal Electric Supply Co.,
Truro, Nova Scotia.

Gentlemen:

We wish to bring to your attention that the Zenith television receivers of U. S. manufacture which we understand you are selling, are reported by our patent attorneys and engineers to infringe various Canadian patents of invention either owned by this Company or under which this Company has licensing rights.

While, under the provisions of Section 45 of the Patent Act, the owner of a patent has the "exclusive right, privilege and liberty of making, constructiong, using and vending to others to be used" the patented invention, we, however, in accordance with the requirements of Section 65 and 66 of the said Patent Act have arranged for the manufacture and sale in Canada of television receivers embodying said inventions by the following Canadian companies, namely:

Addison Industries Limited, Toronto, Ontario.
Arcan Corporation Ltd., Hamilton, Ont.
Canadian Admiral Corp. Ltd., Port Credit, Ont.
Canadian Aviation Electronics Ltd., Montreal, Quebec.
Canadian General Electric Co. Ltd., Toronto, Ontario.
Canadian Marconi Company, Montreal, Quebec.
Canadian Radio Mfg. Corp. Ltd., Toronto, Ontario.
Canadian Westinghouse Co. Ltd., Hamilton, Ontario.
Chisholm Industries Ltd., Vancouver, B. C.
Cossor (Canada) Ltd., Halifax, N. S.

Crosley Radio & Televsion Ltd., Toronto, Ont.
Crystal Radio of Canada Ltd., Toronto, Ont.
Dominion Electrohome Industries Ltd., Kitchener, Ont.
Electrical Products Mfg. Co. Ltd., Montreal, Quebec.
Hackbusch Electronics Ltd., Toronto, Ont.
Hallicrafters Canada Ltd., Toronto, Ont.
Manning Radio Ltd., Toronto, Ont.
Measurement Engineering Ltd., Arnprior, Ont.
Monarch Radio Mfg. Co., Montreal, Que.
Motorola Canada Ltd., Toronto, Ont.
Northern Electric Co. Ltd., Montreal, Que.
Philco Corp. of Canada Ltd., Toronto, Ont.
Pye Canada Ltd., Ajax, Ontario.
R. C. A. Victor Co. Ltd., Montreal, Que.
Research Industries Ltd., Vancouver, B. C.
Sparton of Canada Ltd., London, Ont.
Stewart-Warner Corp. of Canada Ltd., Belleville, Ont.
Superb Electric Industries Ltd., Toronto, Ontario.
Sylvania Electric (Canada) Ltd., Dunnville, Ontario.

who are at present working the patented inventions on a commercial scale and who are willing and prepared to meet the public demand for the patented articles in Canada on reasonable terms.

If you are unacquainted with our rights in this matter, we would suggest that you consult your own solicitors, who will no doubt inform you as to your exact position under the circumstances mentioned but if any further information on the subject is required, we shall be very glad to communicate further with them or with you.

Should you continue to handle television receivers which infringe these patents, we may be obliged in protection of ourselves and our licensees to institute necessary legal proceedings to prevent further infringement by you and to recover such damage as may have been sustained through your merchandising of infringing television receivers.

We shall appreciate you writing us by not later than July 13th, 1954 advising that you have discontinued the sale of television receivers other than those which are manufactured by any of the licensed companies mentioned in the foregoing list.

Yours very truly,

Canadian Radio Patents Limited,
Per signed S. D. Brownlee/L.

SDB:ml

DEFENDANT'S EXHIBIT NO. 162.

Canadian Radio Patents Limited,
159 Bay Street,
Toronto

July 6, 1954.

Registered Mail
Ideal Electric Supply Co.,
Truro, Nova Scotia.

Gentlemen:

We wish to bring to your attention that the Zenith television receivers of U. S. manufacture which we understand you are selling, are reported by our patent attorneys and engineers to infringe various Canadian patents of invention either owned by this Company or under which this Company has licensing rights.

While, under the provisions of Section 45 of the Patent Act, the owner of a patent has the "exclusive right, privilege and liberty of making, constructing, using and vending to others to be used" the patented invention, we, however, in accordance with the requirements of Section 65 and 66 of the said Patent Act have arranged for the manu-

facture and sale in Canada of television receivers embodying said inventions by the following Canadian companies, namely:

Addison Industries Limited, Toronto, Ontario.
Arcan Corporation Ltd., Hamilton, Ont.
Canadian Admiral Corp. Ltd., Port Credit, Ont.
Canadian Aviation Electronics Ltd., Montreal, Quebec.
Canadian General Electric Co. Ltd., Toronto, Ontario.
Canadian Marconi Company, Montreal, Quebec.
Canadian Radio Mfg. Corp. Ltd., Toronto, Ontario.
Canadian Westinghouse Co. Ltd., Hamilton, Ont.
Chisholm Industries Ltd., Vancouver, B. C.
Cossor (Canada) Ltd., Halifax, N. S.
Crosley Radio and Television Ltd., Toronto, Ontario.
Crystal Radio of Canada Ltd., Toronto, Ontario.
Dominion Electrohome Industries Ltd., Kitchener, Ont.
Electrical Products Mfg. Co. Ltd., Montreal, Quebec.
Hackbusch Electronics Limited, Toronto, Ontario.
Hallicrafters Canada Limited, Toronto, Ontario.
Manning Radio Limited, Toronto, Ontario.
Measurement Engineering Ltd., Arnprior, Ont.
Monarch Radio Mfg. Co., Montreal, Quebec.
Motorola Canada Limited, Toronto, Ontario.
Northern Electric Co. Ltd., Montreal, Quebec.
Philco Corp. of Canada Ltd., Toronto, Ontario.
Pye Canada Limited, Ajax, Ontario.
RCA Victor Company Ltd., Montreal, Quebec.
Research Industries Limited, Vancouver, B. C.
Sparton of Canada Limited, London, Ontario.
Stewart-Warner Corp. of Canada Ltd., Belleville, Ont.
Superb Electric Industries Ltd., Toronto, Ontario.
Sylvania Electric (Canada) Ltd., Dunnville, Ont.

who are at present working the patented inventions on a commercial scale and who are willing and prepared to meet the public demand for the patented articles in Canada on reasonable terms.

If you are unacquainted with our rights in this matter, we would suggest that you consult your own solicitors, who will no doubt inform you as to your exact position under

the circumstances mentioned but if any further information on the subject is required, we shall be very glad to communicate further with them or with you.

Should you continue to handle television receivers which infringe these patents, we may be obliged in protection of ourselves and our licensees to institute necessary legal proceedings to prevent further infringement by you and to recover such damage as may have been sustained through your merchandising of infringing television receivers.

We shall appreciate your writing us by not later than July 13th 1954 advising that you have discontinued the sale of television receivers other than those which are manufactured by any of the licensed companies mentioned in the foregoing list.

Yours very truly,
Canadian Radio Patents Limited,
Per S. D. Brownlee /L

SDB/ml

July 14, 1954.

Canadian Radio Patents Ltd.,
159 Bay Street,
Toronto, Ontario.

Attention: Mr. Brownlee.

Dear Sir:

Yours of recent date with regard to us selling television receivers made by Zenith Radio Corporation has been referred to our Solicitor who will no doubt be writing you in the very near future.

We remain,

Yours very truly,
Ideal Electric Supply Co.
N. A. MacCuspie, *President.*

NMC:JB

July 29, 1954.

Canadian Radio Patents Limited,
159 Bay Street,
Toronto, Ontario.

Attention: Mr. S. D. Brownlee.

Dear Sir:

Referring to your letter of July 6th with regard to us selling Zenith television receivers of U. S. manufacture.

We have taken this matter up with our Solicitors and they have asked us to refer you to the first paragraph your letter of July 6th, 1954, that it has been reported by your patent attorneys and engineers that the Zenith television receivers infringe various Canadian patents of invention either owned by your Company or under which your Company has licensed rights.

We are interested to learn just what patents are considered to be infringed by just what Zenith television receivers. We would appreciate your early reply.

Thanking you, we remain,

Yours very truly,

Ideal Electric Supply Co.,
N. A. MacCuspie, *President.*

NMC:JB

August 24, 1954.

Canadian Radio Patents Limited,
200 St. Clair Avenue West,
Toronto, Ontario.

Attention: Mr. S. D. Brownlee.

Dear Sir:

Replying to yours of August 16th which came to hand a few days ago with regard to Zenith television receivers of which we imported a few early in the year.

We wish to advise that we have not imported any Zenith television receivers since the date of your letter July 6th, at which time you advised us as to the difficulties we might run into, and further we do not intend at the present to import any further Zenith television receivers unless Zenith television receivers become licensed in Canada.

Now that we are not allowed to sell Zenith television receivers it might be possible that you would know of some reputable manufacturer of television who is looking for representation in this part of Canada. We would be very grateful if you would advise us as to their name.

Thanking you in anticipation of an early reply, we remain,

Yours very truly,

Ideal Electric Supply Co.,
N. A. MacCuspie, *President.*

NMC:JB

Canadian Radio Patents Limited
200 St. Clair Avenue West
Toronto

August 16, 1954.

Mr. N. A. MacCuspie, President,
Ideal Electric Supply Company,
Truro, Nova Scotia.

Dear Mr. MacCuspie:

Your letter of July 29th was delayed in reaching us due to the fact that it was mailed to 159 Bay Street, our former address.

We have rechecked with the patent attorneys and engineers responsible for examining the circuit diagrams of all unlicensed receivers brought to our attention and they have indicated that the Canadian patents owned or administered by CRPL covering inventions utilized in the Zenith television receivers include, amongst others, Canadian patents 356,764 — Simonds, 378,393 — Gunther, 383,276 — Vance, 398,523—Wheeler, 400,539—Ballard, 405,905—Delvaux, 409,049—Poch, 409,244—Bedford, 457,328—Parker, 466,035—Porsch and 476,757—Seeley.

The solicitors that will act for us in this case are Gowling, MacTavish, Osborne and Henderson of 88 Metcalfe Street, Ottawa and if we do not hear from you within the next ten days, in accordance with the original request for advice that you have discontinued the sale of unlicensed receivers, we will turn the matter over to our solicitors with instructions to commence an action in the Exchequer Court of Canada.

Yours very truly,

S. D. Brownlee,
President.

SDB/ml

Canadian Radio Patents Limited
200 St. Clair Ave. West
Toronto

August 30, 1954.

Mr. N. A. MacCuspie, President,
Ideal Electric Supply Company,
Truro, Nova Scotia.

Dear Mr. MacCuspie:

We have your letter of August 24th, in which you indicate that you have discontinued the sale of unlicensed television reecivers.

In this regard we would appreciate receiving from you a record of the serial numbers of any unlicensed receivers that you have already sold, so that if these are brought to our attention in the field they can be properly identified.

According to our records, the unlicensed receivers that you were handling included model M2260 (serial No. 1,793,414), model 2260 (serial No. 1,785,187) and model 225R (serial No. 1,792,799).

With reference to your request for the names of manufacturers who would be looking for representatives in the Truro area, we are sure that with some twenty-four Canadian companies now manufacturing television receivers and with production running at the rate of over 500,000 units per year, you should have no difficulty in obtaining supplies from any number of manufacturers.

To assist you in contacting these manufacturers, we are enclosing a copy of the RTMA of Canada Trade Directory listing the receiver manufacturers that are members of that Association and giving the names of the executive officers that you may wish to contact.

Yours very truly,

SBD/ml
encl.

S. D. Brownlee,
President.

DEFENDANT'S EXHIBIT NO. 162-A.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1258.

Electric Radios Limited
298 Main Street
Winnipeg, Manitoba

May 22nd, 1928.

Zenith Radio Corporation,
3620 Iron Street,
Chicago, Ill.

Attention: Mr. Thomas H. Endicott.

Gentlemen:

Mr. Fonseca has requested the writer to reply to your letter of May 15th, which has been delayed in Customs.

In the first instance, we wish to compliment you on your new Zenith line, as covered by photographs, and descriptions just received. We are highly pleased, and can assure you of large volume Zenith distribution in Manitoba and Saskatchewan, if you will clear up the patent situation for us.

Smart and Bigger, 8 O'Connor St., Ottawa, Ontario, solicitors for Canadian Radio Patents Limited, have advised us that both Zenith and Sparton sets infringe the patents of their clients, and that they are not prepared to consider any arrangement for the importation of unlicensed sets. They further state that they have instructions to institute proceedings to restrain the sale of such sets.

Canadian Radio Patents Limited, have announced that

under the patents controlled by them, for the manufacture and sale in Canada of Radio Receiving Sets to be used only for the non-commercial reception of public radio telephone broadcasting, licenses have been reserved or granted to the following:

Canadian General Electric Co. Ltd., Toronto, Ontario.
Canadian Westinghouse Co. Ltd., Hamilton, Ontario.
Northern Electric Co. Ltd., Montreal, Quebec.
Canadian Marconi Co., Montreal, Quebec.
Standard Radio Mfg. Corp. Ltd., Toronto, Ontario.
DeForest Radio Corp., Ltd., Toronto, Ontario.
King Quality Products Ltd., Bridgeburg, Ontario.
Stromberg Carlson Telephone Mfg. Co., Toronto, Ontario.
Splitdorf Electrical Co. Ltd., Toronto, Ontario.
Grimes Radio Corp. Ltd., Kitchener, Ontario.
Work-Rite Radio Ltd., Brantford, Ontario.
Federal Radio Corp., Buffalo, N. Y.
Canadian Brandes Ltd., Toronto, Ontario.
American Bosch Magneto Corp., Springfield, Mass.
Mohawk Radio Ltd., Toronto, Ontario.
McLagan-Erle Ltd., Stratford, Ontario.
Freed Eisemann Radio Corp., Brooklyn, N. Y.
Stewart Warner Speedometer Corp., Chicago, Ill.

Any other manufacturers of Radio Receiving Sets sold in Canada embody the following features:

A. Regenerative or feed back circuits.

B. Tuned radio frequency sets having a plurality of stages of tuned radio frequency amplification coupled with vacuum tubes.

C. A grid-leak arrangement comprising a condenser shunted by a high resistance.

D. The neutralization of inter-electrode capacity in an amplifying stage, are infringers of the patents controlled by Canadian Radio Patents Limited.

Among those patents are the following:

Rice	241,138	Mathes	183,275
Alexanderson	208,583	Mathes	209,777
Langmuir	244,847	Arnold	213,999
Hartley	174,690	DeForest	174,361
Armstrong	216,321	DeForest	218,468
Round	179,703	DeForest	218,235
Franklin	187,793	DeForest	218,238
DeForest	159,794	DeForest	218,242
DeForest	169,332	DeForest	218,473

In the face of the above, Capt. Sparks on May 15th, at the Head Office, in Montreal, of the Canadian Fairbanks-Morse, contracted with them for Canadian distribution in the provinces of Ontario, Manitoba and Alberta, of the Sparton line, guaranteeing them protection from Canadian Radio Patents.

The Fada people who are in the Canadian field have only recently beaten Canadian Radio Patents on the Alexanderson patent, which we understood they felt to be their strongest claim.

The above gives you a birds-eye view of the Canadian situation. If you require any further facts or figures to complete the picture we will endeavour to supply them. In the meantime, we wish to impress upon you the value of the Canadian market, and the advantage of getting in early. The Canadians are going to buy Radio Sets in greatly increasing numbers, and we are now organizing to secure the major portion of this trade in Manitoba and Saskatchewan. We are able and willing to put your line over big in this territory if you will give us the necessary protection, but you will understand we cannot afford to prejudice our position, when other producers are willing to satisfactorily take care of us.

We will await your reply with much interest, and wish to assure you of our hearty co-operation in assisting you to take care of this situation.

Yours very truly,

Electric Radios,
Per. F. E. H. Luke.

FEHL/WID.

DEFENDANT'S EXHIBIT NO. 162B.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1251.

December 18, 1929.

Mr. Leslie Munroe,
c/o Williams Motor Company,
Calgary, Alta.

Dear Mr. Munroe:

We are glad to note that the seven (7) sets which we shipped you have proven so satisfactory.

It is rather difficult to determine just how the question of shipments to Canada should be handled. If too many shipments are made to one firm or individual, the Canadian Patents Limited, of course, are likely to take action which might prove embarrassing to the importer, and for this reason we have been making sales and shipments direct, in spite of the fact that we have a few people in the same positio s yourself.

If you think you would be protected by having us make direct shipments to the customer and pay you a commission on inquiries you send us, this would be quite satisfactory to us; or, you may get in touch with the firm in Windsor who have a special arrangement with Canadian Patents

Limited and see if you can also make a similar arrangement. This firm is

The Maxwell Radio Company
Windsor, Ont., Canada.

Almost daily we receive inquiries from firms or individuals in Canada who wish to buy sets and where these inquiries are from territories covered by some Canadian firm, such as yourself, to whom we have already sold sets, we generally refer the person making inquiry to the firm in question; or, when it is from some part of the country where we have no connection, we answer it ourselves and in some cases make the sale direct.

In a number of cases where we have referred inquiries to Canadian firms we have been informed that it was impossible for them to take care of the order, as they were afraid of getting into trouble with Canadian Patents Limited, but if you can make any arrangement which you consider will give you full protection in this connection, we will be glad indeed to refer any inquiries we receive from Alberta to you, and you can handle them in any manner you might consider satisfactory.

Yours very truly,

Zenith Radio Corporation,
K. R. McVeigh,
Manager, Export Division;
Sales Dep't.

DEFENDANT'S EXHIBIT NO. 162C.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1262.

February 18, 1936.

To: Mr. Robertson.

We are receiving quite a number of inquiries from Canada which we do not know how to handle. Nobody will import our sets there unless we have taken out a license and, according to the last conversation we had on this matter, it is my understanding that you do not contemplate taking such action.

Is there any chance of completing the arrangements that you started with the Canadian Marconi Company? If so, I do not think there is any use for us to continue corresponding with firms in Canada since every one has the same come-back, namely, "Are you licensed?"

Vasquez.

CVM:AL

DEFENDANT'S EXHIBIT NO. 162-D.

(Letterhead of Ideal Electric Supply Limited, Truro, Nova Scotia.)

23rd July, 1962.

Zenith Radio Corporation
6001 Dickens Ave.
Chicago 39, Illinois, U. S. A.

Att: Mr. Joseph S. Wright, President

Dear Mr. Wright:

When in Montreal and Toronto in June at the Open House Showing I was given to understand that either you or Mr. Caplin would be interested in receiving a copy of the letter our competitors namely Electrical Distributors Ltd., of this town received from our friends Canadian Radio Patents Ltd., of Toronto relative to them importing sets mnaufactured in U.S.A. by Motorola.

If you were not the interested party in this information would you kindly hand same on to Mr. Caplin, as I was able to receive a photostatic copy from Electrical Distributors Ltd. of this town, it is quite evident that our friends Canadian Radio Patents Ltd., are trying to use the same tactics as they did on us a number of years back.

If you are interested in any further information as to the proceedings now taking place I would be glad to obtain for you the photostatic copies of such correspondence.

Thanking you for past favours, I remain,

Yours very truly,

Ideal Electric Supply Ltd.,
N. A. MacCuspie, *President*

NAM/pw

(Letterhead of Canadian Radio Patents Limited, Toronto.)

May 17, 1962.

Registered.
Electrical Distributors Limited,
779 Prince Street,
Truro, Nova Scotia.

Dear Sirs:

We notice from an item appearing in the press that you have been appointed a regional distributor to market, in Canada, home entertainment products manufactured in the United States and bearing the trade name "Motorola."

Canadian Radio Patents Limited is an agency empowered to license the Canadian electronic patents of such firms as Philips Electronics Industries Limited, Canadian Marconi Company, Northern Electric Company Limited, Canadian Westinghouse Company Limited, Canadian General Electric Company Limited and Hazeltine Corporation. In addition, we own Parker patent No. 457,328 entitled "Television Receivers."

Addison Industries Limited and Seabreeze Manufacturing Limited which made Motorola products in Canada were each licensed by Canadian Radio Patents Limited. Although we have not, of course, had an opportunity to examine the circuits of any home entertainment products which you intend to market in Canada under your arrangement with Motorola we would strongly suspect that television receivers would incorporate the inventions of at least the above mentioned Parker patent and also Armstrong patent No. 441,777. F.M. radio receivers would almost certainly use the latter patent also. A close analysis of the circuits would probably disclose other inventions covered by patents which we are empowered to license.

Section 67 (2) (b) of the Canadian Patent Act stipulates that:

> "The exclusive rights under a patent shall be deemed ot have been abused . . . if the working of the invention within Canada on a commercial scale is being prevented or hindered by the importation from abroad of the patented article by the patentee or persons claiming under him, or by persons directly or indirectly purchasing from him, or by other persons against whom the patentee is not taking or has not taken any proceedings for infringement."

Subsection (3) of the same section states:

> "It is declared with relation to every paragraph of subsection (2) that, for the purpose of determining whether there has been any abuse of the exclusive rights under a patent, it shall be taken that patents for new inventions are granted not only to encourage invention but to secure that new inventions shall so far as possible be worked on a commercial scale in Canada without undue delay."

From the foregoing you will see that licensing of imported products which hinder working of patented inventions in Canada on a commercial scale constitutes abuse of the exclusive rights granted under the patent or patents involved. Furthermore, such abuse can exist should the patentee or persons claiming under him fail to take action for infringement against an importer into Canada of a patented invention.

At this point it seems fairly evident that importation of Motorola products incorporating our inventions would hinder the Canadian manufacture on a commercial scale of similar products. Accordingly, in order to comply with the intent of the Canadian Patent Act, we would not be prepared to license such imported products with the exception of patents of Canadian General Electric Company Limited and Canadian Westinghouse Company Limited.

These, we have been instructed to license irrespective of the country of origin of the patented products.

Accordingly, should importation of Motorola products take place and should these be found to incorporate inventions covered by patents which we are empowered to license other than those of Canadian Westinghouse or CGE, we would be forced to place the matter in the hands of our solicitors with instructions to take whatever action they may deem necessary in order to protect our patents. I might point out that we initiated two cases in the Exchequer Court last year, one against a Canadian manufacturer which was settled before coming to trial, the second against an importer of German radio receivers. Judgment on the latter case was handed down on May 2nd of this year in favour of Canadian Radio Patents Limited.

In closing, I wish to inform you that we would be most happy to issue a license to you to make or have made in Canada any equipment coming within the ambit of our patents.

Yours very truly,

B. McConnell,
President.

BMcC:gj

Calgary, December 11, 1929

Mr. K. R. McVeigh,
Zenith Radio Corporation,
3620 Iron Street, Chicago.

Dear Mr. McVeigh:

We have received the total of seven sets and have them all working in different localities, with excellent results. As I told you before, they have the edge on anything that is marketed in this part of the country, and we would like very much to distribute them in Alberta next year in the event of your company deciding to take out a Canadian license.

We have turned down a number of people who have asked

to buy sets for the reason that we do not wish to run afoul of Canadian Patents Limited. One applicant, Mr. J. T. Saul, I understand has written you direct, after having been turned down by us, and I am told you are shipping him direct, at 40% off list. This is O.K. with us, but we were rather surprized to find that you would consider shipping to individuals direct, especially in view of the fact that we were previously in touch with him.

The question arises now as to just how such cases should be handled in future. We could refer any applicants to you direct if you so desire, and have you ship direct to them, but naturally we would like to be protected on the difference between the discounts you have offered them and those quoted us. A case pending at the present time is Mr. Robert Livingstone, of Lethbridge, Alberta, to whom we have shown the set, but have felt it advisable to discourage him from getting one (which perhaps accounts for his determination to have one). There are several more persons whom we have had to turn down, but I wish you would write me in this connection as to what policy you think it would be best to pursue between now and the time your firm decides to enter the Canadian Market under license.

I should be glad if you would advise me of the name and address of the party in Windsor, Ontario, you spoke to me about as having a special arrangement with Canadian Patents Limited under which he imports a few machines and pays his regular 10% per machine. Would like to have a general idea of the nature of his contract with them. We are thinking of taking the question up with Canadian Patents Limited and endeavoring to make a similar temporary arrangement to enable us to import machines until such time as your company takes out a license up here.

Yours very truly,

Leslie Munroe.

P.S. Please send me half a dozen of your standard fuses and I will remit whatever the charges are.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1253.

March 10, 1930.

Mr. Leslie Monroe,
c/o Williams Motors Ltd.,
Calgary, Alberta, Canada.

Dear Mr. Monroe:

The letters which were sent out by Messrs. Smart & Biggar to purchasers of radio receivers not licensed by Canadian Patents Ltd. is more or less a matter of form. A short time ago I received a similar letter from a firm in Nova Scotia and they have since informed me that nothing further came of it.

We have already advised Canadian Patents Ltd. that it is our intention to enter the Canadian market and I presume this is the reason they are checking up our imports of Zenith receivers.

The firm in Windsor who have special arrangements with Canadian Patents Ltd. is the Maxwell Radio Ltd. and, on his last visit, Mr. Maxwell informed me that he was paying Canadian Patents Ltd. 12½% on each Zenith he imported. Maxwell is also, however, a large G. E. distributor and I imagine that this may enable him to bring a little pressure to bear on Canadian Patents Ltd. on his imports of Zeniths.

I would suggest that you write Mr. Maxwell and get full particulars from him.

Yours very truly,

Zenith Radio Corporation,
K. R. McVeigh,
Sales Department.

HC

Calgary, March 4, 1930.

Dear Mr. McVeigh:

This is to advise you that the solicitors for Canadian Radio Patents Limited (Messrs. Smart & Biggar, of Ottawa) have written to Mr. Williams regarding the set which he is using in his home. I enclose copy of their letter, and copy of Mr. Williams' reply, and shall keep you advised of further developments.

The three machines which we recently ordered duly arrived, but we do not feel at liberty to clear them through the Customs until this matter is straightened out. This will explain any delay which you may experience in getting the return from the C.O.D.

My own impression is that someone here informed Canadian Radio Patents that Mr. Williams had a machine in his home, but I would be glad to have advice from you as to whether or not your firm has heard anything from them in this connection.

I should be very much obliged if you would give me all the particulars which you have in your possession regarding the arrangement which the Windsor Radio Shop (I think that was the name of the firm) have with Canadian Patents Ltd. whereby they import machines under a royalty basis. We would like to know on what basis the royalty is calculated, how returns are made, etc.—in fact all particulars which you may have knowledge of, concerning the arrangement.

Also please say if your firm contemplate taking out a license in the near future as in that event it is possible that we could get them to refrain from taking any action.

Yours very truly,

Leslie Munroe.

Address:

c/o Wililams Motors, Ltd.,
Calgary, Alberta, Canada.

330—7th Avenue West,
Calgary, Alberta,

March 1, 1930.

Messrs. Smart & Biggar,
Victoria Building,
Ottawa, Ont.

Dears Sirs:

Thank you for yours of February 21st.

It is quite true that I purchased a Zenith Radio receiving set in Chicago. At the time I purchased it I had thoughts of endeavoring to get the distributing rights for Zenith Radios in Alberta.

I have been using the set in my home, and find it very satisfactory.

I have not yet given up all notion of trying to get the Alberta rights, and if your clients have any proposition to make me I shall be glad to entertain it.

Yours truly

(Sgd.) G. P. Williams.

Smart & Biggar.
Victoria Building.

Ottawa, Canada,

February 21, 1930.

Geoffrey Williams, Esq.,
330 Seventh Avenue West,
Calgary, Alta.

Dear Sirs:

We are acting for Canadian Radio Patents Limited who own certain patent rights relating to receiving sets, particulars of which are set forth in the enclosed warning notice. We have been advised that you have purchased a Zenith Radio receiving set which infringes a number of the patents referred to in the enclosed notice.

It is possible that you may have purchased this set in ignorance of our clients' rights, and we should be obliged if you would advise us of your position in the matter.

Very truly yours,

(Sgd.) Smart & Biggar.

(Form of Postal Telegraph.)

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1252.

C2 44 NL Calgary Alta Mar 23 1930

K R McVeigh, Zenith Radio Corp.
Chicago Ill.

Canadian Patents say they cannot allow further unlicensed machines enter Canada and are returning our remittance covering ten percent royalty on three now in custom presume therefore we will have to return them unless you can suggest some way out of difficulty wire reply.

Leslie Munroe.
Mar 24 844A

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1254.

333—7th Ave. W.

Calgary, April 3, 1930

Mr. K. R. McVeigh,
Zenith Radio Corporation
3620 Iron St.,
Chicago, Ill.

Dear Mr. McVeigh:

Your telegram duly received, and I note what you say with regard to the clearing of the three sets which we have on hand in Customs. In view of the somewhat positive assertion made by Canadian Patents Limited that they could not agree to the importation of further unlicensed sets, I still do not feel at liberty to clear them. I am writing them again, asking them to re-consider the matter

in view of the fact that the sets are actually here and no useful purpose would be served by their forcing them to be returned to you.

If you feel at liberty to do so, I should be glad if you would give me some idea as to when you expect to take out a Canadian license, as this information might serve to guide me in my negotiations with Canadian Patents.

I sincerely hope it will not be necessary to return the sets, and we do not feel at liberty to clear them as I would be quite sure that they have an eye on them here and would welcome the opportunity of starting something if we were to clear them especially after their refusal to allow them to enter in the first place.

I will keep you advised of any further developments, and would appreciate a note from you if anything happens that would be of interest to us here.

Yours very truly,

Leslie Monroe.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1255.

Calgary, April 17, 1930

Mr. K. R. McVeigh,
Zenith Radio Corporation,
3620 Iron Street,
Chicago.

Dear Mr. McVeigh:

Up to the present we have still been trying to obtain the consent of Canadian Radio Patents to the clearing of the three sets now in Customs, but without success. We wrote them a further rather lengthy letter a couple of weeks ago, pointing out that they would lose nothing by allowing these sets to enter the country, but so far they have ignored our letter. The express company became insistent that we

do something about getting the sets cleared and out of their way, so Mr. Williams and I again had an interview with our lawyers and their advice was to the effect that the sets should not be cleared, as the clearing of them (after letting C. R. P. know that they were here and their refusing to allow them to enter) might result in serious complications later on. The lawyers advised returning the sets to you.

There would appear to be several things we can do in the circumstances. One is to return the sets immediately. Another is to allow them to remain in bond until your firm takes out its Canadian license—provided this is done within the next couple of months—and then clear them. Another idea—and I don't know whether this could be successfully worked or not—is for you to reconsign the sets to Bill Smith or Tom Jones, and they could then be cleared. This latter suggestion, however, appears to be somewhat shady, and perhaps should not be resorted to.

To return the sets immediately involves considerable red tape, getting consular invoices, etc., as well as an item of approximately $100 express charges both ways. Therefore if there is any other way out of the difficulty we would rather not return them. If the sets are allowed to remain in bond until next fall and you then take out your Canadian license, there is no doubt but what we can dispose of them without loss, even though they will be year-old models.

I am very sorry that events have taken this turn, and we of course want to do the right thing in this matter. I would therefore appreciate hearing from you with your suggestions as to what would be the best course to pursue.

Yours very truly,

Leslie Munroe.

Leslie Munroe,
c/o Williams Motors Ltd.,
330-7th Ave. W.,
Calgary, Alta, Canada.

(Stamp) Zenith-Rauland Cross-
Claimants' Exhibit 1256.

June 27th, 1930.

Messrs. Klugh,
Robertson,
Petrtyl,
Terwilliger.

We have just had the unhappy experience of having our shipment of complete radio sets consigned to

Leslie Monroe,
Calgary, Alta., Canada

returned for credit because entry was refused by the Canadian Customs on the objection of the Canadian Patents Limited that we were violatnig certain patent rights of Canadian manufacturers, with the result that the objection was sustained and we were unable to complete the delivery.

Under the circumstances, no further efforts should be made to solicit business in Canada and all inquiries from Canadian dealers and jobbers should be declined, for the reason that we are not licensed to operate in the Dominion.

Will Mr. Petrtyl issue a bulletin notice to our Salesmen on this subject.

A. T. Haugh.

GV

DEFENDANT'S EXHIBIT NO. 163.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 3.

(Letterhead of Radio Corporation of America
Interdepartment Correspondence.)

To: Mr. I. J. Adams, Patent Attorney.

From: Mr. Manton Davis.

Date January 21, 1924
File No.

Subject: Canadian Situation

Location:

Referring To:

With some hesitation I advised Mr. Philip that in my opinion the mobilization of Canadian radio patents resulted in our being able to sell our products in Canada through any one of the corporations party to the mobilization contract. I told Mr. Philip that in my opinion, while we had no Canadian rights, this situation worked out for us a sort of left-handed right in that no one would be in position to object since the mobilization contract resulted in a sort of estoppel against all the parties signing it.

In a recent conference with Mr. Mallory of the Westinghouse Company he challenged this position on a number of grounds and chiefly on the ground that under the Canadian patent law, if the holders of Canadian patents permitted the importation into Canada of radio products manufactured in America, first, their own patents would be invalidated and, second, the importer would subject himself to pains and penalties under the Canadian patent laws which appear to have some criminal aspects. Mr. Mallory in-

formed us that within the last ten days he had an opinion from the Canadian counsel of the Canadian Westinghouse Company on which he based his conclusions.

From the attached correspondence, it would appear that the patent attorneys of the General Electric Company are of opinion that as a result of recent modifications of Canadian patent law, the situation has been changed and that, though Mr. Mallory's statement was correct under the old law, it is incorrect under the law as recently modified.

I would appreciate your opinion on the following: 1. Do you concur in the advice originally given to Mr. Philip? I understood from several of your recent communications that you do, but before going into this matter further, I would appreciate a restatement of your opinion.

2. According to your information what is the present state of the Canadian patent law? Is the statement outlined by Mr. Mallory on the authority of the Canadian Westinghouse counsel correct or is the opinion of the General Electric counsel correct?

3. In your opinion, can we safely contract with the Canadian Marconi to be the exclusive agent of the Radio Corporation for the Canadian territory?

Davis
Assistant General Attorney.
(Stamp) Zenith-Rauland Cross-

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 4.

Col. Manton Davis. 1/23/24

I. J. Adams.

Colonel Davis:

Replying to your letter of January 21st, the authorization that you gave to Mr. Philip in regard to sales in Canada seems to follow the plan that I outlined in my letter to you of November 17th and therefore it is my opinion that your authorization is correct.

Now, in respect to importation, it formerly was the law that importations into Canada later than one year after the date of the patent grant would invalidate the Canadian patent if the importation was carried on by the party owning the Canadian patent or someone having an interest in that patent. This has long been a thorn in the side of the United States manufacturers who own Canadian patents and it was a great relief to these manufacturers when the Canadian laws were changed last year in this respect. When I wrote you about this situation I was fully advised in regard to the Canadian law and knew that the law against importation had been repealed. Mr. Scudder, of the General Electric Company, therefore, is correct in his statements and Mr. Mallory has been misinformed.

Now, in respect to possible violations of our agreement with the Westinghouse Company, I will say that the Westinghouse Company has never told us that they had contracts with the Canadian Company whereby they made certain covenants that we are bound to respect. If they have such contracts they should furnish them to us and if you succeed in getting them I would be glad to go through the contracts and see whether they have any patent restrictions or covenants that would prevent our making sales in

Canada of products made by the Westinghouse Company. As a matter of fact, I do not believe that any contract they have would affect the situation in respect to the importation of devices in Canada, but of course I cannot make a definite statement to this effect without knowing what their contracts are.

Since Mr. Mallory, on behalf of the Westinghouse Company, has objected to our selling our products to anyone of the licensed companies in Canada I believe that we should clear the whole situation up with the manufacturing companies and I suggest that you either send copies of my letters of October 17th and November 17th to Mr. A. G. Davis and Mr. Terry to see if they take the contrary position in any respect, or since considerable discussion might pass back and forth in regard to patent matters before a definite opinion would be reached by these gentlemen, it probably would be advisable for me to refer copies to them. However, I will not take any steps in this respect until you have considered the matter and suggest what you think would be the best plan for reaching an understanding with the manufacturing companies on this point.

I am returning the correspondence that you attached to your letter of January 21st.

ijja-g

encl.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 16.

DEFENDANT'S EXHIBIT NO. 164.

Canadian General Electric Company Limited
Head Office—Toronto, Canada.

Toronto 2, Ont., November 27, 1935.

E. C. Grimley, Esq.,
President,
RCA Victor Company Limited,
925 Lenoir Street,
Montreal, Quebec.

Dear Mr. Grimley:—

Recently we have had applications from parties in Canada requesting the terms upon which we would grant them a license under our patents to import into Canada and sell power amplifier and power supply equipment, mainly I presume for installation in small rinks, fairgrounds, etc.

In the past two or three years we issued two or three licenses with a time cancellation clause under Canadian G. E. patents, but advised the parties that they took their own risk under Northern Electric patents, and some of these Companies such as Baldwin International, Screen and Sound Service and Wholesale Radio have possibly been selling some of this equipment.

However, in view of our recent arrangements with your Company we would prefer to see business of this nature go through your Company for distribution either by ourselves or your distributing organization in so far as such is permitted under our agreements with the other Companies, and if the same does not constitute a public address system in which field Northern have exclusive rights.

Under these circumstances I would appreciate if you can tell me whether under your new set-up with Northern covering sound equipment field you are enabled to sell public address systems and thus desire that no further amplifier licenses be granted.

Confidentially the recent inquiries have come from Radio Receptor and the Webster people in the United States who some time ago were also anxious to come into the Canadian field but were dissuaded by us from doing so.

On the other hand, if our respective Companies are unable to benefit from a manufacturing standpoint there may be no reason why these people should not be licensed.

For your information it might be advisable to add that in respect to power supply and power amplifier equipment when used as part of or in conjunction with a radio receiving set the exclusive license rights are in Canadian Radio Patents Limited, but where these patents are used for sound amplification purposes without microphone, Canadian G. E., if it so desires, can issue a license under its own patents but not under those of any other party.

Yours very truly,

J. C. Macfarlane,
General Solicitor.

JCMacfarlane:P.

DEFENDANT'S EXHIBIT NO. 165.

Canadian Radio Patents Limited
159 Bay Street
Toronto

June 11th, 1936.

Mr. E. L. Gardner,
Comptroller,
RCA Victor Company, Limited,
Montreal, Que.

Dear Mr. Gardner:

Your letter of June 10th has been received.

As you intimated, there is no provision in the Patent Act which prohibits the importation of a patented device by unlicensed parties, also, paradoxically enough, the Act does provide that if the patentee or its licensee does not supply the reasonable demands of the public either by reason of importation or by failure to manufacture, severe penalties are suffered, including the possible revocation of the patent.

I may say that many attempts have been made to have the Department of National Revenue co-operate in the protection of patents by means of eliminating or prohibiting importation. These demands have been made both through the Commissioner of Patents and through several other channels and in every case have been quite unsuccessful. The Department of National Revenue, and particularly the Customs section has consistently taken the position that if duty is paid in accordance with the regulations they cannot take any further steps. There is of course some justification for this stand as manifestly it would be quite impossible for customs appraisers to be familiar with the patent situation on all merchandise which might cross the border.

Yours very truly,

Geo. F. Brooks,
Manager.

GFB/m

DEFENDANT'S EXHIBIT NO. 166.

(Letterhead of Radiomarine Corporation of America,
a Radio Corporation of America Service,
75 Varick Street, New York 13.)

January 13, 1944.

Mr. C. S. Schairer
Radio Corporation of America
30 Rockefeller Plaza
New York 20, N. Y.

Dear Mr. Schairer:

Attached is a preliminary draft of "A Proposal for RCA's License and Patent Relationships in Canada after 1944". I have shown this to Messrs. Gardner, Cook and Madden, and they are in accord with the suggestions made therein.

I would appreciate very much your giving me your views concerning it.

Mr. Macfarlane was in to see me yesterday and told me that the owners of CRPL were planning to extend CRPL's sublicensing rights under their respective patents for another year, i.e. until December 31, 1945, and that when this was done CRPL would ask all its licensees to extend their license agreements with it until that date. Mr. Macfarlane asked if we would be willing to extend CRPL's right to grant sublicenses under our patents, which right expires the end of this year, until December 31, 1945. I told him that we would have to receive consideration for such rights and that I did not believe that any of us had time to conduct a Six Party negotiation at this moment, with which he agreed.

I think that within the next few weeks we should let Mr. Macfarlane know definitely that we do not propose to con-

tinue CRPL's sublicensing rights under our patents and at the same time word should be transmitted to the licensees of CRPL, by one means or another, to the effect that their licenses with CRPL will not include RCA's patents after the end of this year.

Faithfully yours,
(Illegible)

JGM/MB
Enc.
1/11/44

A Proposal for RCA's License and Patent Relationships In Canada After 1944.

All the agreements under which RCA granted and received licenses in Canada will expire on January 1, 1945, and all the licenses granted thereunder by and to RCA will also terminate. The only continuing covenant, if it may be termed such, is contained in Clause XII of the Agreement of August 1, 1924 between RCA, Canadian General Electric Company, Limited (CGE) and Canadian Westinghouse Company Limited (CW), the first two sentences of which read as follows:

> "This Agreement shall enter into effect on the date first herein written, and shall continue until January 1st, 1945, at which date it shall expire. On the expiration of this Agreement reasonable adjustment shall be made with respect to the continued use of such patents or applications for patents as at the time are still in force and are being used by the Canadian Companies or either of them."

It is, therefore, necessary at this time to give careful consideration to a formula upon which the future licenses and patent relationships of RCA and its 100% subsidiary in Canada, RCA Victor Company Limited, on one hand, and the other Canadian patent owning interests, on the other, may be established.

Present Situation

Under the 1924 agreement CGE and CW acquired from RCA exclusive licenses in certain portions of the radio field, not including radio tubes. After RCA acquired the Victor Talking Machine Company, including its subsidiary Victor Talking Machine Company of Canada Limited (now called RCA Victor Company Limited), it became necessary for RCA to obtain licenses under its own patents and under the patents of others in order to place its Canadian subsidiary in a competitive position in Canada. Protracted negotiations ensued, which resulted in the 1935 agreements, under which RCA and Victor acquired non-exclusive licenses in the radio field, CGE and CW acquired broader licenses, including radio tubes, in the radio field under patents of RCA, and also acquired licenses under such patents outside the radio field as well in, for example, the power purpose field. Arrangements were then made for the exchange of licenses with other companies in Canada, namely:

Canadian Marconi Company (Limited Liability).
Northern Electric Company, Limited.
The Bell Telephone Company of Canada.
Rogers-Majestic Corporation, Limited.

At the same time, Canadian Radio Patents, Limited (CRPL), which is owned by CGE and CW, Marconi, Northern and Rogers, acquired the right to grant sublicenses under RCA's patents to its present and future licensees for radio broadcast receivers. In exchange for these rights, RCA received free licenses from CRPL for the broadcast receiver field.

Thermionics, Limited, which is owned by CGE and CW, Northern and Marconi, acquired certain limited sublicensing rights for tubes.

There is another radio agreement in effect in Canada to which RCA is not a party, dated March 12, 1923, between CGE, CW, Marconi, Northern, Bell and International

Western Electric Company, which provided for the exchange, among the parties, of licenses in various fields, including the radio field. This agreement may be terminated by any party upon one year's notice, but it is interesting to note that all obligations between CGE and the other parties shall in any event terminate at the end of 1944.

Proposed Patent and License Relationship Subsequent to 1944.

Patents.

[A study of the respective patent situations of the parties involved has been made by taking as a basis the charts of important United States patents, which Mr. Schairer has had recently compiled. Determination has been made as to which of these important United States patents owned by RCA, GE, Westinghouse and ATT have been filed in Canada.] The attached Schdule A shows the number of these patents now existing in Canada, clarified into the principal radio fields. There are also attached supporting schedules showing the corresponding United States patents, and in the case of RCA patents, a complete list of those patents contained on the above mentioned charts.

Considered quantitatively, the comparative patent situations are as follows:

Important Patents and Applications for Patents issued or filed in Canada.		
RCA (including EMI and Purchased Patents)	187	79.2%
CGE	23	9.8%
CW	14	5.9%
Northern Electric	10	4.2%
Canadian Marconi	2	.9%
	236	

(Written in margin.) Who owns these, RCA or Canadian Victor? Does RCA own Canadian patents of EMI origin? O. S. S. 1/17/44.

Neither the foregoing tabulation, nor the attached Schedule A and its supporting schedules, include patents filed under any secrecy legislation, but it is doubtful that the inclusion of such patents would change the relative positions of the various companies to any appreciable degree.

It is apparent that RCA possesses the strongest patent situation in Canada, and in view of this position, it is recommended that discussions be started with the Canadian companies not later than the coming summer, with the aim of negotiating new agreements.

In view of the current discussions between RCA, GE and W in this country concerning certain interpretations of Agreement A-1, it would probably be difficult to get GE and W in Canada to agree to utilize any definitions for the fields of the new agreement other than those now contained in Agreement A-1 and in Agreement Supplemental to Agreement A-1, because a draft of the new agreement will undoubtedly be submitted by CGE and CW to representatives of their parent companies in the United States, who will be fearful of creating prejudice to themselves if the definitions of A-1 and Supplemental A-1, particularly as applied to the radar field, are modified.

(Written in margin.) Does the definition of radio purposes in the present Canadian agreements include radar, etc.? (Other note on page illegible.)

This situation, of course, may change at any time and therefore the fields outlined in the following proposal are subject to modification. In any event, it would probably be desirable, if the present definitions of A-1 and Supplemental A-1 are to be used in the proposed Canadian agreement, between RCA, on one hand, and CGE and CW, on the other, that the parties agree that any modifications in the definitions of A-1 arrived at in the United States either by mutual agreement, by arbitration or by litigation shall

apply as among the three parties to the new Canadian agreement.

It is recommended that the new Canadian agreements embrace the following substantive principles:

It would probably be preferable to have three separate agreements as follows:

Agreement A, between RCA and RCA Victor, on one hand, and CGE and CW, on the other;

Agreement B, between RCA and RCA Victor, on one hand, and Northern and Bell, on the other;

Agreement C, between RCA and RCA Victor, on one hand, and Marconi, on the other.

The reasons for these separate agreements are first: The fundamental difficulty in negotiating one agreement with a large number of parties having conflicting interests; and second: that the fields of the grants by RCA to the other Canadian parties are quite diverse and it is believed that separate agreements with the power field group, the wire telephone group and the wireless telegraph communication company will not only be simpler to negotiate but easier to administer.

In Agreement A, RCA and Victor, on one hand, and CGE and CW, on the other, would exchange non-exclusive licenses in the field of Radio Purposes and for the other fields for which RCA received licenses pursuant to Agreement A-1 and the Agreement Supplemental to Agreement A-1, except for the field of Public Service Communication for Toll. It is proposed (handwritten: preferable) that such licenses be royalty bearing and that royalties be paid by the respective grantees to the respective grantors. In view of the fact that RCA's patent situation is more valuable than that of CGE and CW taken together, the royalty rates payable by CGE and CW to RCA should be much

higher than the rates of royalty to be paid by RCA and Victor to CGE and CW.

(Written in margin.) Our licenses should include broader rights in the field of electronics, than we now have in USA —such as pool tubes, rectifiers, etc. O. S. S. 1/17/44. Or, CGE and CW might pay RCA an annual differential based on differences in gross volumes of radio business done to avoid complicated accounting. O. S. S. 1/17/44.

CGE and CW will desire licenses in the power, therapeutic, medical, railway signalling and X-ray fields. RCA's patent situation does not particularly pertain to these fields, although applications of high frequency currents, to the power and other fields, is becoming increasingly important and RCA has made valuable contributions in many of these applications. It is suggested that CGE and CW receive free licenses from RCA for the power, therapeutic, medical, railway signalling and X-ray fields, and that RCA and Victor receive free licenses from CGE and CW for the therapeutic, medical and railway signalling fields.

It is suggested that the duration of this agreement be December 31, 1954, and that the territory be Canada and Newfoundland, with the exception of Westinghouse, with respect to which Newfoundland will not be included.

The licenses must clearly permit importation as well as local manufacture.

Agreement B, between RCA and Victor, on one hand, and Northern and Bell, on the other, would be the same as Agreement A insofar as the licenses for the fields of Radio Purposes and the fields for which RCA received licenses under Agreement A-1 and Agreement Supplemental to Agreement A-1 are concerned, Northern will desire manufacturing and selling rights for wire telephone equipment and Bell will desire using rights for such equipment. RCA

might grant free licenses to them for these fields in exchange for free licenses in the power, therapeutic, medical and railway signalling fields. Licenses for the Radio Purposes and allied fields would, as in the case of Agreement A, be royalty bearing, with royalties payable by all grantees.

Agreement C would be between RCA and Victor, on one hand, and Marconi on the other. Here again in the Radio Purposes field and allied fields licenses would be the same as Agreement A, except there appears to be no reason for RCA to pay any royalties to Marconi. Marconi, however, will probably desire a license for Radio Communication for Tolls, and since Marconi has, as far as is known, substantially no patent situation with which to trade such a license with RCA, it will probably be advisable to place the toll license on a royalty basis. It is doubtful that the domestic formula of 4½% of the total receipts would be agreeable to Marconi, but since RCA's inventions are probably involved in Marconi's communication systems, some compensation should be paid by Marconi in this field.

It is recommended at this time that RCA not join any of the licensing organizations in Canada, such as CRPL, Thermionics, Limited, or the proposed Sea, Land, Air, Limited, the last of which is in process of formation for the purpose of granting licenses in the commercial apparatus field. CRPL, Thermionics and their owners have been targets for attacks by the Tariff Board and by other government agencies in Canada, and it is not unlikely that unless there are radical changes in the licensing policies of these organizations that there may be similar attacks in the future with which RCA should not become involved. It is, therefore, recommended that RCA adopt the same liberal licensing policy which it has followed in the United States. RCA should offer licenses to all reputable radio manufacturers in Canada at reasonable royalty rates. RCA can

by this method conduct its own licensing program in Canada without becoming concerned in the conflicting interests of others.

(Written in margin) RCA, rather than Canadian Victor, should get the most, if not all, of the royalties because it does the research and makes most of the inventions. OSS 1/17/44.

DEFENDANT'S EXHIBIT NO. 167.

Brownlee Exh. 15.

December 11, 1944.

Mr. O. S. Schairer

Mr. J. C. Macfarlane, Vice President of Canadian General Electric Company, called upon us on December 8th in connection with the pending Canadian negotiations.

I started to tell him about our meeting with the Canadian Westinghouse people and gave him our reasons for not desiring to enter into a multi-party Agreement, but he told us he already had a report on that meeting. He further stated that although he was not opposed to separate agreements in so far as RCA was concerned, he thought that a joint agreement would be preferable inasmuch as the Canadian parties, with the exception of RCA Victor Company Limited, would probably all be parties to one cross license agreement, in addition to their joint agreement with reference to Canadian Radio Patents Limited. He did say, however, that the CGE had no way of determining what patents GE in the United States had filed under secrecy laws and therefore he did not know what the value of CGE's post-war patent position will be. In view of this he stated definitely that CGE would under no circumstances enter into a long term agreement at the present time. In the light of this condition, he said that he desired to discuss

only the question of CGE's acquiring the right to grant licenses under RCA's patents.

I told him that we regarded the licenses with all of the Canadian parties, including CRPL, as constituting a subject that must be discussed as a whole. He replied that he would propose that we settle the licenses for Canadian Patents Limited now, and then when time is available next year that the licenses with the other Canadian parties be negotiated. He emphasized, with some degree of logic, that it would be regrettable to let the licenses with the five Canadian licensees of CRPL expire in entirety because it would be more difficult to negotiate non licenses than it would be to extend the present licenses for another year.

I asked him what CRPL would offer in the way of consideration for our patent rights under an agreement to run for one year, and he said he was not authorized to make any offer and that he thought that a statement of the consideration should come from us. I told him that I would discuss his proposal with our people and suggested that in view of his statement that we try to hold a meeting in Montreal between now and the first of the year with all of the interested parties, inasmuch as, according to his statement, at least the CRPL aspects of the problem would be settled before the end of the year. Mr. Macfarlane then contradicted his previous statement and said that the CRPL situation did not have to be cleared up before the end of the year, and that if we attacked the problem soon after the year end that would probably be satisfactory to him and to the other owners of CRPL.

As to our joining CRPL, I told Mr. Macfarlane I did not know whether we would want to join CRPL as a stockholder or whether we would prefer to give CRPL the right by contract to grant licenses under our patents in the broadcast receiving set field, both telephone and television, and receive as consideration a portion of the gross receipts

of Canadian Patents Limited. He refused to commit himself as to which of these two methods he preferred and said that he thought that we ought to grant the license now and talk about the compensation later in the event that CRPL should have any income in 1945. I told Mr. Macfarlane that as far as we are concerned, this would be impossible. Mr. Macfarlane then said that he thought we should let him know what consideration we wanted for sub-licensing rights for CRPL.

I also told Mr. Macfarlane that we might find it difficult to give sublicensing rights to CRPL if that organization continued its policy of refusing to grant licenses for importation into Canada. He replied that he thought the patent law of Canada required that patented goods be made in Canada, but I told him that I thought only a reasonable proportion of the goods had to be made in Canada under a patent in order to preserve such patent.

I also talked to Mr. Macfarlane about the tube situation in Canada. I told him that in any agreement with GE and the two other tube manufacturers, we would want to have the right to demand that brand tubes be manufactured for us. He told me that the other manufacturers might object to this, but intimated that he did not think that he would object to such a clause.

I asked him if he could give us the reason behind the rather radical drop in the tube prices of from 25 to 33⅓%, which had been put into effect by CGE and GE a few days ago, and he replied that this had been done to forestall criticism of the fact that the Canadian prices are considerably higher than the imported prices of United States made tubes. He then intimated that some action had been taken to meet the competition of imported tubes.

I next asked him what the owners of Thermionics were going to do with Thermionics after the war and whether they were going to continue to impress quota and other

restrictions upon Rogers. He said that he thought Thermionics could continue, but that it would no longer impress any quota or other restrictions, including those of price, upon its three licensees Rogers, CRV and CW.

I asked him how he was coming along in his discussion situation. He could not recollect what Photophone Limited was charging our licensees at the present time for the rights to import films into Canada. I explained to Mr. Macfarlane the background of this business and told him what was happening in Hollywood at the present time. I told him that in so far as the possibility of continuing to collect royalty in Canada was concerned, there was little likelihood that this could be continued at anything like the present rate. I also told him that in our license with GE and W we would want the non-exclusive right to grant licenses under their patents to our licensees to import films into Canada.

I asked him how he was coming along in his discussion with Philco. He said that he thought that CGE and Philco would reach a solution of their difficulties in a few weeks. I reminded him that he had given the same estimate some six months ago, and then he stated that he did not know when the discussions would resolve the problem between them and that the case might even proceed to the Privy Council.

When Mr. Macfarlane left, he said that he would get in touch with me within a week or so.

Faithfully yours,

.....

cc: Messrs. Cook
Deakins
Gardner
Shackelford
Rodier

December 11, 1944

Mr. O. S. Schairer,
RCA Laboratories
Princeton, N. J.

Dear Mr. Schairer:

Mr. J. C. Macfarlane, Vice President of Canadian General Electric Company, called upon me on December 8th in connection with the pending Canadian negotiations.

I started to tell him about our meeting with the Canadian Westinghouse people and gave him our reasons for not desiring to enter into a multi-party agreement, but he told me he already had a report on that meeting. He further stated that although he was not opposed to separate agreements in so far as RCA was concerned, he thought that a joint agreement would be preferable inasmuch as the Canadian parties, with the exception of RCA Victor Company Limited, would probably all be parties to one cross license agreement, in addition to the joint agreement with reference to Canadian Radio Patents Limited. He did say, however, that the CGE had no way of determining what patents GE in the United States had filed under secrecy laws and therefore he did not know what the value of CGE's post-war patent position will be. In view of this he stated definitely that CGE would under no circumstances enter into a long term agreement at the present time. In the light of this condition, he said that he desired to discuss only the question of CRPL's acquiring the right to grant licenses under RCA's patents.

I told him that we regarded the licenses with all of the Canadian parties, including CRPL, as constituting a subject that must be discussed as a whole. He replied that he would propose that we settle the licenses for Canadian Patents Limited now, and then when time is available next

year that the licenses with the other Canadian parties be negotiated. He emphasized, with some degree of logic, that it would be regrettable to let the licenses with the five Canadian licensees of CRPL expire in entirety because it would be more difficult to negotiate new licenses than it would be to extend the present licenses for another year.

I asked him what CRPL would offer in the way of consideration for our patent rights under an agreement to run for one year, and he said he was not authorized to make any offer and that he thought that a statement of the consideration should come from us. I told him that I would discuss his proposal with our people and suggested that in view of his statement that we try to hold a meeting in Montreal between now and the first of the year with all of the interested parties, inasmuch as, according to his statement, at least the CRPL aspects of the problem should be settled before the end of the year. Mr. Macfarlane then contracted his previous statement and said that the CRPL situation did not have to be cleared up before the end of the year, and that if we attacked the problem soon after the year and that would probably be satisfactory to him and to the other owners of CRPL.

As to our joining CRPL, I told Mr. Macfarlane I did not know whether we would want to join CRPL as a stockholder or whether we would prefer to give CRPL the right by contract to grant licenses under our patents in the broadcast receiving set field, both telephone and television, and receive as consideration a portion of the gross receipts of Canadian Patents Limited. He refused to commit himself as to which of these two methods he preferred and said that he thought that we ought to grant the License now and talk about the compensation later in the event that CRPL should have any income in 1945. I told Mr. Macfarlane that as far as we are concerned, this would be impossible. Mr. Macfarlane then said that he thought we

should let him know what consideration we wanted for sub-licensing rights for CRPL.

I also told Mr. Macfarlane that we might find it difficult to give sublicensing rights to CRPL if that organization continued its policy of refusing to grant licenses for importation into Canada. He replied that he thought the patent law of Canada required that patented goods be made in Canada, but I told him that I thought only a reasonable proportion of the goods had to be made in Canada under a patent in order to preserve such patent.

I also talked to Mr. Macfarlane about the tube situation in Canada. I told him that in any agreement with GE and the two other tube manufacturers, we would want to have the right to demand that brand tubes be manufactured for us. He told me that the other manufacturers might object to this, but intimated that he did not think that GE would object to such a clause.

I asked him if he could give me the reason behind the rather radical drop in tube prices of from 25 to 33⅓%, which had been put into effect by CGE and CW a few days ago, and he replied that this had been done to forestall criticism of the fact that the Canadian prices are considerably higher than the imported prices of United States made tubes. He also intimated that such action had been taken to meet the competition of imported tubes.

I next asked him what the owners of Thermionics were going to do with Thermionics after the war and whether they were going to continue to impress quota and other restrictions upon Rogers. He said that he thought Thermionics could continue, but that it would no longer impress any quota or other restrictions, including those of price, upon its three licensees: Rogers, CRV and CW.

I also talked to Mr. Macfarlane about the Photophone situation. He could not recollect what Photophone Limited was charging our Licensees at the present time for the

rights to import films into Canada. I explained to Mr. Macfarlane the background of this business and told him what was happening in Hollywood at the present time. I told him that in so far as the possibility of continuing to collect royalty in Canada was concerned, there was little likelihood that this could be continued at anything like the present rate. I also told him that in our license with GE and W we would want the non-exclusive right to grant licenses under their patents to our licensees to import films into Canada.

I asked him how he was coming along in his discussion with Philco. He said that he thought that CGE and Philco would reach a solution of their difficulties in a few weeks. I reminded him that he had given the same estimate some six months ago, and then he stated that he did not know when the discussions would resolve the problems between them and that the case might even proceed to the Privy Council.

When Mr. Macfarlane left, he said that he would get in touch with me within a week or so.

Faithfully yours,

.....

JGM/NS

cc: Messrs. Cook
Deakins
Gardner
Shackelford
Rodier

DEFENDANT'S EXHIBIT NO. 168.

November 6, 1946

Dr. B. E. Shackelford,
Radio Corporation of America,
RCA International Division,
745 Fifth Avenue,
New York 22, N. Y.

Dear Doc:

Enclosed is a copy of a name we have just received from Mr. Brownlee of Canadian Radio Patents Limited together with a questionnaire. You will note that they ask that we return one copy to them not later than Monday, November 18th. We would appreciate, therefore, receiving your suggestions regarding the form some time prior to that date.

Incidentally on September 9th I sent to Mr. Myers (with copy to you and Mr. Johnson) a draft of Mr. Brownlee's proposed form of C. R. P. L. licensed agreement, together with my comments thereon. I do not believe we have had any reply to this memo, consequently we have not forwarded to C. R. P. L. the comments on it.

Possibly in filling out this questionnaire you could also comment on the form of license agreement as covered by my memo of September 9th.

Very truly yours,

H. G. Marpole.

MGM/jtr

Copy to:
Mr. R. P. Myers,
Mr. H. W. Johnson.

PROPOSED CRPL PRIMARY "OUTPUT" LICENSE

1. SCOPE

1. Do you favour including in the scope of the primary CRPL output license the following:—
   (a) A.M. receivers for home, educational and non-commercial use?
   (b) F.M. receivers for home, educational and non-commercial use?
   (c) Television receivers for home, educational and non-commercial use?
   (d) Electric phonographs, either alone or combined with one or more of (a), (b) and (c)?
   (e) Separate remote, time or preselective control devices for (a), (b), (c) and (d)?
   (f) A.M. to F.M. converters?
   (g) Sets (other than automobiles) less cabinets?
   (h) Other?

2. DEFINITIONS

Have you any suggested revisions for the definitions in the August 29th draft? (These were extracted from the 1946 RCA U. S. License covering the same fields as the proposed draft and are doubtlessly the result of a great deal of consideration by attorneys and engineers in the U. S. radio industry.)

3. ROYALTY

(i) What basis of royalty do you favour:—
   (a) Percentage of net selling price as in draft?
   (b) Flat rate basis?
   (c) Buff-backed license basis?
   (d) Other?

(ii) What rate of royalty do you favour?

(iii) Do you favour half-royalty for export?

(iv) Increased royalty for sets (other than automobile) sold less cabinets?

4. ADVANCE PAYMENT OR MINIMUM

(a) Do you favour a "termination type minimum" as suggested in draft? ____
How much? _____

(b) Do you favour an advance security deposit from new licensees? ____
How much? _____

(c) Do you favour a definite annual minimum? ____
How much? _____

(d) Other, or combination of (a), (b), (c)?

5. MANUFACTURE IN CANADA

(a) Do you favour definite requirements for manufacture in Canada along lines of buff-backed agreement? ____

(b) Tied in with compliance with Canadian Patent Act as in draft? ____

(c) Importation on written approval of CRPL? ____

(d) Other? ____

6. REPORTS

(a) Do you favour "RCA" form of report? (Exhibit "A" of draft.) ____

(b) Other? ____

7. LIFE

(a) Do you favour ten years from January 1, 1945, as in draft? ____

(b) Other? ____

8. PRODUCT IDENTIFICATION

(a) Do you favour requiring licensee to use own name or trademark as in buff-backed agreement and in draft? ____

(b) Code identification for manufacturers of stencil sets? ____

(c) Other? ____

9. PATENTS

(a) Do you favour inclusion of specific lists of patents? .....

(b) Reference to patents only by general fields included in the "grant of license" clauses? .....

(c) Inclusion in license of names of companies whose patents are in? .....

(d) Combination of (a), (b), (c)? .....

(e) Other? .....

10. RECIPROCAL

Should any reciprocal rights be required from licensees? .....

GENERAL REMARKS

.....

.....

.....

Company .....

Per .....

PROPOSED CRPL PRIMARY "OUTPUT" LICENSE

1. SCOPE

Do you favour including in the scope of the primary CRPL output license the following:—

(a) A.M. receivers for home, educational and non-commercial use? Yes

(b) F. M. receivers for home, educational and non-commercial use? Yes

(c) Television receivers for home, education and non-commercial use— Yes

(d) Electric phonographs, either alone or combined with one or more of (a), (b) and (c)? Yes

(e) Separate remote, time or preselective control devices for (a), (b), (c) and (d)? Yes

(f) A.M. to F. M. converters? Yes

(g) Sets (other than automobile) less cabinets? Yes

(h) Other? Tele Converters. ?

2. DEFINITIONS

Have you any suggested revisions for the definitions in the August 29th draft? (These were extracted from the 1946 RCA U.S. License covering the same fields as the proposed draft and are doubtlessly the result of a great deal of consideration by attorneys and engineers in the U.S. radio industry.)

See my letter to RPM Sept. 9th

---

3. ROYALTY

(i) What basis of royalty do you favour:—

(a) Percentage of net selling price as in draft? (deduct sales tax 7.41) Yes subject to my comment

(b) Flat rate basis? ——

(c) Buff-backed license basis? ——

(d) Other? ——

(ii) What rate of royalty do you favour? ——

(iii) Do you favour half-royalty for export? Yes

(iv) Increased royalty for sets (other than automobile) sold less cabinets? Yes

4. ADVANCE PAYMENT OR MINIMUM

(a) Do you favour a "termination type minimum" as suggested in draft? Yes

How much? ——

(b) Do you favour an advance security deposit from new licensees? ——

How much? ——

(d) Other, or combination of (a), (b), (c)? ——

5. MANUFACTURE IN CANADA

(a) Do you favour definite requirements for manufacture in Canada along lines of buff-backed agreement? ——

(b) Tied in with compliance with Canadian Patent Act as in draft? Yes less 2—Para

(c) Imp[illegible]tion on written approval of CRPL? sub[illegible]onsideration of wording. ?

(d) Othe[illegible] ——

6. REPORTS

(a) Do you favour "RCA" form of report? (Exhibit "A" of draft.) Yes subject to comment my letter

(b) Other? ——

7. LIFE

(a) Do you favour ten (8) years from January 1, 1947, as in draft? Yes

(b) Other? ——

8. PRODUCT IDENTIFICATION

(a) Do you favour requiring licensee to use own name or trademark as in buff-backed agreement and in draft? ——

(b) Code identification for manufacturers of stencil sets? ——

(c) Other? ——

9. PATENTS

(a) Do your favour inclusion of specific lists of patents? ——

(b) Reference to patents only by general fields included in the "grant of license" clauses? ——

(c) Inclusion in license of names of companies whose patents are in? ——

(d) Combination of (a), (b), (c)? ——

(e) Other? ——

10. RECIPROCAL

Should any reciprocal rights be required from licensees? No

GENERAL REMARKS

Company ——

Per ——

DEFENDANT'S EXHIBIT NO. 169.

Mayer Ex. 25 LM517

17 November 1949

To: Dr. B. E. Shackelford, New York,

Subject: E. M. I. Licensing.

Ref: (a) My LM-503 dated 10 Nov. 1949
(b) My LM-506 " 11 Nov. "
(c) My LM-505 " 11 Nov. "

1. Further to ref. (a) and our exchange of radiograms, I visited Shoenberg at his place in the country near Eastbourne where he is spending this week. Dale Harris was also there, and we proceeded to discuss a number of points connected with the proposed agreements.

2. Regarding the sub-licensing agreement, Shoenberg objects to paying any minimum and sees no reason for its inclusion. He says we are sharing in the benefits of a licensing arrangement and if, for example, the pool should cease to exist, why should EMI be obliged to pay a minimum for a non-exclusive license when there might not be enough receipts to justify it. He feels that RCA should also share with EMI the risks involved in licensing. If we insist he might be agreeable to a very small minimum, and when pressed mentioned perhaps £2,000/£3,000. He was agreeable to a percentage but not to a figure as high as 40 per cent. He spoke of the 25 per cent, which he had offered, but after further discussion said he could not agree to recommend to his Board more than one-third.

It would therefore appear that I could negotiate for this figure for the percentage (which is within the latitude provided) if we are willing to eliminate the minimum or make it so low as to have little significance.

What are your views?

3. Shoenberg confirmed and expanded on what I have already said in ref. (b) concerning his views on the exchange of the results of research. We discussed this matter at some length and he said that McGee and White reported that RCA had shown them nothing which we would not have shown to anyone else, and he mentioned Dr. Jolliffe's refusal to give information on the new small camera tube. Of course Shoenberg said that had any RCA people visited EMI after the talk in April, he would have been willing to show them everything EMI had. I explained the situation and said that I thought the only satisfactory way in which an exchange of this kind could work is by goodwill on both sides and by the value of the contributions which the research personnel concerned are able to exchange with each other. Shoenberg agreed that there is nothing one can write which would force an exchange of what one side might be unwilling to give. However, he explained that in this matter it was a question of what was available to his competition, and his interest primarily was to ensure that EMI was in no worse position than Marconi in regard to the exchange of the results of research. I told him I thought this would be the case, particularly if his men continued to hold the high regard which our people had for EMI research. Shoenberg would like Dr. Jolliffe's draft letter reworded in some way, which we did not go into, to assure this equivalent treatment of EMI. The actual words in our agreement with HWT on this subject are as follows:

Article II.

"Section 5. RCA shall make available in the United States to MWT and its subsidiaries, upon a non-exclusive basis, and MWT shall make available in the United Kingdom to RCA Photophone Limited or other subsidiary designated by RCA, upon the same basis,

the results of research relating to Contract Apparatus carried on by RCA and its subsidiaries or by MWT and its subsidiaries, respectively. Research personnel of RCA and its subsidiaries shall be made available in the United States to MWT and its subsidiaries and research personnel of MWT and its subsidiaries shall be made available in the United Kingdom to RCA Photophone Limited or other subsidiary designated by RCA, for visits and general discussion of research, in each case upon a non-exclusive basis."

What are your views?

4. By virtue of his claim for exclusivity under the pre-1945 RCA British patents and in order to safeguard the operation of the pool, Shoenberg previously had asked for the conditions mentioned in paragraph 16 of ref. (a). On the basis of your radiogram of 11 November, I told him that I thought our lawyers might be agreeable to a clause not to offer more favorable terms, but I felt sure that to require us to pay into the pool any receipts that might be obtained outside would not be acceptable for legal reasons. After much discussion on this matter it was suggested that as an alternative RCA might agree to:

(a) accept from EMI the difference between the sub-licensing receipts payable by EMI to RCA and the amount received by RCA for licenses granted outside the pool;

(b) not to make available or offer license terms at a lower rate than that obtainable from the pool.

On this point Shoenberg agreed that it need not be exactly the same rate and perhaps three-quarters of the rate would be satisfactory, i.e., about 1 per cent. (pool rate is 1¼ per cent.). It is important in his view that it should be more attractive for a manufacturer to take a license with the pool, and he points out that this would also be to RCA's interest and advantage.

In this connection he also raised the question of our license arrangement with Pye, and I explained as per the General's radiogram to Fisk. Shoenberg is concerned lest Pye should be in a position, through having a license from RCA, of not joining in any future pool. However, he takes comfort from his conviction that EMI after all possesses exclusive rights under all RCA's British patents on pre-1945 inventions, and he trusts that Pye has not gained the impression from RCA that by their agreement Pye obtain a license under those patents.

5. Another aspect of this matter is the question of imports raised by Article II, Section 2(e) of the draft sublicensing agreement which states:

> "That EMI shall not restrict any licensee (by written agreement or otherwise) in regard to exports or imports to or from any country."

Shoenberg said that they could not agree to license foreign manufacturers to import into Great Britain, and he says this on the basis of his claim for exclusivity. In their view it would mean the immediate collapse of the whole licensing pool and of the revenue derived from it. They have always had to refuse to license imports from anywhere. British manufacturers are extremely jealous of importers, and although the Patent Act does not specifically support this attitude, there is no doubt that the old idea of patents giving a monopoly continues today and confirms a basis of a general licensing policy in Britain of using patents to build up trade and keep out cutthroat competition from foreign countries where prices may be cheaper.

If one looks at the Patent Acts, the current Act which expires this year only provides for compulsory licensing if the domestic manufacturer can show that the demands of the home market are not being met. The new Act, which is designed to encourage exporters, provides that a compulsory license can be obtained if the domestic manufacturer

is not meeting the demands of the export market. Nothing is said about importers, and by implication it may be argued that the New Act supports the policy of discouraging importers. This is a big subject which I will not discuss further here except to say that it would certainly be a tricky business in the radio field to import into the U.K. in the face of an adverse patents situation.

It is certainly unlikely, therefore, that a satisfactory license from the pool would be obtainable for foreign-manufactured sets imported into the U.K.

Would it be possible to delete Section 2(e)?

6. With regard to the conditions of Article II, it is doubtful whether they are met by the licenses granted by the pool, and EMI would be unwilling to commit themselves to the conditions for anything more than the licenses under RCA's British patents which would be made available by the proposed sub-licensing agreement. In carrying out the conditions, therefore, it would probably be necessary to have a separate licensing form for the RCA patents (which according to EMI, would not include those for which they claim they already have licensing rights).

7. Another major point which Shoenberg brought up was their need to find some means of earning dollars which Fisk raised and which I mentioned in ref. (c), and for convenience repeat here:

> "On this point he (Fisk) said, for example, that whereas RCA would be receiving something for sub-licensing in the U.K., EMI was getting nothing for similar rights in the United States and Canada, and he was very much afraid that the Government people were going to be asking him why it was EMI could not earn some dollars for their patents. I explained, and he knew, that we considered the sub-licensing rights under his patents in the United States were part of the deal and a contribution towards the greater value of our patent situation in relation to that of EMI. Moreover, that we

obtained no added income because of those rights, although, of course, as he said, it naturally strengthens our overall position. Nevertheless, Sir Ernest asked that we should give some thought to this matter. I said I did not see how we could help him, but that I thought there were still opportunities for them to earn dollars by the sale of inexpensive television receivers in the United States, and we discussed this matter briefly."

Shoenberg spoke of these difficulties in convincing his people that RCA's proposals were intended as a genuine desire to come to an agreement with EMI, and said that it would help him enormously both with his people and with the Government if he could show that EMI got something for sub-licensing rights under their U.S. patents.

What are your views?

8. With regard to MOV, we discussed the draft very briefly and Shoenberg said he thought the percentage was too high. I countered by saying that we had already reduced it from 3 per cent., and took the opportunity of saying that after consideration we proposed not to include transmitting tubes, and for that reason I would be able to meet him on the matter of the minimum since he had also thought that on the high side. Shoenberg raised no objection to this, but pointed out that the turnover figures which he had given would be appreciably less by exclusion of the transmitting field, but was unable to say by how much. It was left that we should later discuss the matter further with him and some of the MOV people.

9. We did not discuss further Australasia, nor did I raise the matter of the Photophone field. Having made his major points Shoenberg became rather tired, and we adjourned with the idea that I should call him sometime next week when he expects to be back in London.

The key of the situation is the question of exclusivity,

which is discussed separately. If it appears likely that there is going to be some appreciable delay in advising me of your views on the several points herein raised, I should like to be informed immediately.

C. G. Mayer.

cc: Dr. B. F. Shackelford.
Dr. C. B. Jolliffe.

DEFENDANT'S EXHIBIT NO. 170.

(Stamp) Zenith-Rauland Cross-Claimant's Exhibit 43.

Radio Corporation of America,
RCA International Division,

Inter-Company Correspondence.

Date: August 10, 1951

To: Mr. H. G. Marpole—Montreal

Subject: Proposed Canadian Standard Form of License Agreement for Home Instruments.

Dear Harry:

I believe we have resolved the rate problem with respect to the record player and cabinet deductions in the proposed Canadian standard form for home instruments.

From the date which you gave, it is logical to expect an over-all deduction of about 1% for the excess cabinet deduction, and a similar 1% for the record changer deduction. Those deductions meet with Andy's approval which would result in a rate on TV receivers of 1,225%. Consequently, I feel we can proceed on this basis provided the anticipated deductions do not exceed these limits.

Attached are two copies of the July 13th draft for home instruments together with a letter of interpretation similarly dated. You may want to review these before your projected trip.

E. W. Johnson,
License Department.

EWJ:MW
Enclosures

cc: Mr J. G. MacKenty—Edgartown, Mass.

P.S. I assume there are no additional deductions in the CRPL set up. If so, please advise.

[Draft of 7/13/51 C. E. Y.]

(Letter of Interpretation)

Dated as of ....., 19....

(Name and address of Licensee)

Gentlemen:

Reference is made to the License Agreement between us for Home Instruments, dated as of ....., 19....., and in particular to the license grant in Section 1 of Article II thereof.

It is not our intent to restrict the license grant to exclude the right to sell in Canada any apparatus which may have been imported. We, therefore, assure you that the granting clause of the abovementioned License Agreement will be interpreted to give you the right to sell Licensed Apparatus under RCA's Canadian Letters Patent even though such apparatus was not manufactured under such Canadian Letters Patent. Such sales shall, of course, be subject to the payment of royalties thereon as provided in

the abovementioned License Agreement. The apparatus shall be deemed to be licensed under the abovementioned License Agreement at the time of such sale.

Nothing herein contained shall be construed as granting any license to you, either expressly or by implication, other than the license expressly granted in the abovementioned License Agreement.

If you accept the foregoing interpretation, kindly sign and return to us the attached carbon copy of this letter.

Very truly yours,

RCA Victor Company, Ltd.

This draft has been prepared solely for use as a basis of discussion. No part of it has been finally approved or agreed to by either party and neither party is in any way bound thereby.

By_____,

President.

Agreed to and accepted by:

(Name of Licensee)_____

This draft has been prepared solely for use as a basis of discussion. No part of it has been finally approved or agreed to by either party and neither party is in any way bound thereby.

By_____

President.

(Draft of 13/July/51)

This draft has been prepared solely for use as a basis of discussion. No part of it has been finally approved or agreed to by either party and neither party is in any way bound thereby.

License Agreement
Between
RCA Victor Company, Ltd.
and
_____
For
Home Instruments
1951

(Note for Inside Cover)

It is the policy of RCA Victor Company, Ltd. to grant to anyone, upon request, non-exclusive licenses on reasonable terms and conditions under any or all of the patents under which it has the right to grant licenses. If there is any apparatus not licensed by this License Agreement which Licensee desires to manufacture and sell, RCA Victor Company, Ltd. will grant a separate license therefor at Licensee's request. Any inquiries with respect thereto should be addressed to RCA Victor Company, Ltd., 1001 Lenoir Street, Montreal 30, Quebec.

License Agreement

License Agreement, dated as of _____, 19____, by and between RCA Victor Company, Ltd., hereinafter called RCA Victor, and _____, hereinafter called Licensee.

Witnesseth:

Whereas, RCA Victor owns, or has rights to grant

licenses, under, various Canadian Letters Patent (including the Canadian Letters Patent of Radio Corporation of America, a Delaware, U. S. A., corporation) for inventions useful in the Licensed Apparatus hereinafter specified and defined and in its manufacture, and

Whereas, Licensee desires to make lawful use of some or all of such inventions covered by said Canadian Letters Patent, and to that end desires to acquire the license herein granted.

Now, Therefore, in consideration of the premises, the license granted herein by RCA Victor to Licensee, and the agreements, covenants and conditions herein contained, the parties covenant and agree each with the other as follows:

Article I.

Definitions.

For the purposes of this License Agreement, the following definitions shall apply:

Section 1. "Broadcast reception" means the reception from radio broadcast stations of pictures, news, music, speeches, sermons, advertising, entertainment, educational and similar matter, or any of them, or combinations of any of them, for the purpose of entertainment or instruction.

Section 2. "Pictures" means light images, shadows, reflections, photographs and other visible reproductions, of the aspect or shape of animate or inanimate objects or of drawings, writings, forms and other graphic printed or written matter of all kinds.

Section 3. "Radio tube" means a device comprising two or more electrodes and an envelope which is to any extent evacuated or contains gas vapor or liquid under any degree of pressure and operates by electronic discharge or ionization to change the form of, control or modify energy supplied thereto.

Section 4. "Cabinet" means only that portion of Licensed Apparatus which is external to, permanently houses and protects and is designed to improve the appearance or saleability of the remaining portions thereof in the form and condition in which such apparatus is advertised (if at all) by Licensee and is normally intended to be sold at retail to the ultimate user.

Section 5. "Electrical phonograph" means apparatus for the reproduction of sound either directly or in conjunction with a radio receiving set from sound records used in or in connection with such apparatus to be heard in the immediate vicinity of the apparatus in which such record gives rise to or controls an electric current or electro-motive force in such a way that the variations of the electric current or electro-motive force correspond in some way to the recorded sounds and the electric current or electro-motive force directly or indirectly brings about the production of sound either from said apparatus or from said radio receiving set.

Section 6. "Automobile receiving set" means a complete radio broadcast receiving set designed, adapted and sold especially for installation and use in automobiles.

Section 7. "Repair parts" means parts (other than radio tubes) used to replace defective or worn out parts of a similar type for the purpose of repairing Licensed Apparatus.

Article II.

License.

Section 1. RCA Victor hereby grants to Licensee upon the terms and conditions hereinafter set forth a personal indivisible non-transferable and non-exclusive license for the Licensed Apparatus hereinafter specified:

(a) To manufacture and sell Licensed Apparatus and.

(b) To have Licensed Apparatus manufactured for Licensee by any other party licensed by RCA Victor to manufacture such apparatus and to sell such apparatus so manufactured for Licensee subject to the payment of royalties thereon by Licensee as provided in Article III hereof. Such apparatus shall be deemed to be licensed under this License Agreement at the time of sale by Licensee.

This license is granted under all the Canadian Letters Patent covering inventions relating to or useful in Licensed Apparatus or in the manufacture thereof owned by RCA Victor or others during the term of this License Agreement with respect to which and to the extent to which and subject to the conditions under which RCA Victor shall have the right to grant licenses to Licensee during the term of this License Agreement.

Section 2. Subject to the reservations and exceptions specified in Section 3 of this Article II said license is granted for the following apparatus:

(a) Complete radio telephone broadcast receiving sets for broadcast reception;

(b) Complete radio broadcast receiving sets for the reception of pictures including television and facsimile pictures but not including theatre television receivers;

(c) Complete electrical phonographs for use other than in theatres and otherwise than in combination or in connection with apparatus in the field of wire telephony;

(d) Complete combinations of apparatus for two or more of the uses specified in sub-paragraphs (a), (b) and (c) of this Section 2, and complete attachable apparatus for converting Licensed Apparatus specified in such sub-paragraphs (a), (b) or (c) into such combinations for the respective uses therein specified;

(e) Separate remote, time or preselective control devices, for controlling the operation of any of the apparatus specified in sub-paragraphs (a), (b), (c) or (d) of this Section 2;

(f) Apparatus specified in sub-paragraphs (a) (b), (c), (d), (e), (h) or (i) of this Section 2, other than automobile receiving sets, for the respective uses therein specified, complete except for cabinets and parts used for the assembly of such apparatus in cabinets or other permanent housings;

(g) Automobile receiving sets, complete except for one or more of the following: (1) cabinets, (2) parts used for the assembly of such sets in cabinets or other permanent housings, or (3) external remote control heads and external flexible shafts connected to said remote control heads, provided such sets are in the form and condition in which they are normally intended for assembly by vendees or users in cabinets or other permanent housings not furnished by or obtained through Licensee. Any of the foregoing excepted items may be omitted, but if included in or sold with such automobile receiving sets then such items shall be deemed parts thereof;

(h) Converters for converting complete sets of the kind and for the use specified in sub-paragraph (a) of this Section 2 (or any combinations which include such sets) into complete sets (or combinations) of the same kind and for the same use adapted to receive signals of a different frequency from those which such sets (or combinations) were originally designed to receive;

(i) Complete electrical sound recording apparatus, either separately or in combination with apparatus specified in subparagraphs (a) and (c) of this Section 2, for use in homes for making sound records of enter-

tainment and educational matter for the private use of the maker; and

(j) Repair parts for any Licensed Apparatus of the kinds specified above in this Section 2.

Each apparatus specified in sub-paragraphs (a), (b), (c), (d), (e), (h) and (i) of this Section 2, in order to constitute Licensed Apparatus, shall be completely manufactured apparatus, complete with cabinet or cabinets, and in the form and condition in which it is advertised (if at all) by Licensee and is normally intended to be sold at retail to the ultimate user.

Wherever the term "Licensed Apparatus" is used in this License Agreement it means only apparatus of the kinds, and only in the form and condition, specified and described in this Section 2, and only such apparatus as is covered by, or made under, any unexpired Canadian Letters Patent now or hereafter issued under which a license is granted hereunder to Licensee.

Section 3. Anything in this License Agreement to the contrary notwithstanding, no license is herein granted, and no act or acts of manufacture or sale hereunder shall be construed as or result in conveying any license to Licensee or others, expressly or by implication, estoppel, or otherwise, under or with respect to:

(a) Letters Patent with respect to which RCA Victor can grant licenses only upon the payment of royalties or other consideration by Licensee other than the royalties provided for herein; or

(b) Letters Patent claims relating to the structure or manufacture of radio tubes, or to sound or picture records or record blanks; or

(c) Letters Patent of any country other than Canada; or

(d) Unassembled apparatus or parts thereof, other than repair parts; or

(e) Any apparatus, parts or components (other than repair parts, or any method or process, upon which Licensee is not required to pay royalties hereunder.

Section 4. RCA Victor shall not assert any patent or patents, owned by RCA Victor or under which RCA Victor has the right to grant licenses to others, against any vendee or user of Licensed Apparatus specified in sub-paragraphs (f) and (g) of Section 2 of this Article II, on account of the assembly by such vendee or user of such apparatus in cabinets or other permanent housings not furnished by or obtained from Licensee.

Article III.

Royalties.

Section 1. Licensee shall pay to RCA Victor royalties at the following rates upon all Licensed Apparatus sold by it during the term of this License Agreement covered by, or made under, any unexpired United States Letters Patent now or hereafter issued under which a license is granted hereunder to Licensee:

(a) Upon all Licensed Apparatus (including combinations), other than the Licensed Apparatus specified in sub-paragraphs (e), (f), (h) and (j) of Section 2 of Article II hereof, royalties at the rate of ..... per cent (.....%) of net amounts determined as provided in Section 2 of this Article III when such apparatus comprises or includes apparatus for the reception of pictures, including television and facsimile pictures; and

(b) Upon all Licensed Apparatus (including combinations) specified in sub-paragraph (f) of Section 2 of Article II hereof, royalties at the rate of .....

per cent (.....%) of net amounts determined as provided in Section 2 of this Article III when such apparatus comprises or includes apparatus for the reception of pictures, including television and facsimile pictures; and

(c) Upon all Licensed Apparatus, other than the Licensed Apparatus specified in sub-paragraphs (e), (f), (h) and (j) of Section 2 of Article II hereof, royalties at the rate of ..... per cent. (.....%) of net amounts determined as provided in Section 2 of this Article III when such apparatus comprises only apparatus for the reception, recording and/or reproduction of sound; and

(d) Upon all Licensed Apparatus specified in sub-paragraph (f) of Section 2 of Article II hereof, royalties at the rate of ..... per cent. (.....%) of net amounts determined as provided in Section 2 of this Article III when such apparatus comprises only apparatus for the reception, recording and/or reproduction of sound; and

(e) Upon all Licensed Apparatus specified in sub-paragraphs (e) and (h) of Section 2 of Article II hereof, royalties at the same rate as that which applies to Licensed Apparatus of the type to be controlled or converted.

No royalties shall be payable upon repair parts.

Section 2. The base for the computation of the royalties specified in Section 1 of this Article III shall be Licensee's genuine selling price at which customers are billed in the usual course of business for the apparatus therein specified, as packed for shipment to customers and including all packing material and boxes, cartons, crates and all contents thereof, without any deductions except as hereinafter in this Section 2 specified. Such royalties shall be computed

and paid on net amounts determined by making only the following deductions, and no others, from such selling price:

(a) Any excise or sales tax which is actually paid, directly or indirectly, by Licensee on the apparatus, or component parts thereof, so sold by Licensee, but only if and to the extent the amount of such tax is included in such selling price;

(b) Licensee's net purchase prices (including inward freight only) of radio tubes, batteries, cabinets (in excess of $30 each) and/or automatic record changers purchased by Licensee for use in Licensed Apparatus, if Licensee has included in such selling price an amount at least equal to such net purchase prices for such items. Where Licensed Apparatus is manufactured for Licensee as provided in sub-paragraph (b) of Section 1 of Article II hereof, the deduction for such items shall not exceed the lowest amount which Licensee is then currently paying for similar items for use in Licensed Apparatus manufactured by Licensee or the fair market value thereof, whichever shall be lower. In the event Licensee manufactures tubes, batteries, cabinets and/or automatic record changers for use in Licensed Apparatus, the deduction for such items shall not exceed the lowest prices (less $30 each in the case of cabinets) at which Licensee currently sells similar items to third persons or the fair market value thereof, whichever shall be lower.

Section 3. The rates of royalty provided for in Section 1 of this Article III, and the bases to which such rates shall be applicable, are accepted and recognized by the parties hereto as a reasonable and convenient measure of the fair value of the license granted herein.

Section 4. Licensed Apparatus shall be considered as

sold when billed out or, if not billed out, when delivered, shipped or mailed.

Section 5. If as a result of a price reduction established by Licensee or a return to Licensee of Licensed Apparatus previously sold by it, Licensee shall refund to a customer part or all of the selling price of such Licensed Apparatus, Licensee shall be entitled to a credit against royalties payable hereunder equal to the royalties on that part of the selling price so refunded.

Section 6. Licensee's genuine selling price, for the purpose of computing royalties payable hereunder on Licensed Apparatus consigned, shall be the consignee's selling price before any allowance or deduction whatsoever, except Licensee's selling commissions to the consignee.

Section 7. Sales of Licensed Apparatus by Licensee to any other party who is licensed under RCA Victor's patents of Canada to manufacture and sell such apparatus, and who is obligated to pay royalties in respect thereof, shall be reported by Licensee to RCA Victor, but shall not be subject to the payment of royalties hereunder by Licensee.

Licensee shall report all its sales of Licensed Apparatus referred to in sub-paragraph (b) of Section 1 of Article II hereof, and shall pay royalties thereon, in all respects as though such apparatus had been manufactured by Licensee itself under this Licensee Agreement.

Section 8. It is the intent of this License Agreement, and the parties agree, that the selling price in each case which shall constitute the base for the computation of royalties as provided in Section 2 of this Article III shall be a genuine selling price established in a normal bona fide arm's length transaction between parties who are not in affiliation. Without limiting the generality of the foregoing, if the parties are in affiliation, or if a relationship or arrangement of any kind exists or should exist or if any method or device is or should be used wherein a selling price of Licensed

Apparatus is not one realized in a normal bona fide arm's length transaction, or if any contribution or consideration other than the selling price is or should be received by Licensee in respect of the manufacture or sale of any Licensed Apparatus, then and in each such event the price established or realized by Licensee shall not be deemed to be such a genuine selling price. For the purpose of royalty computations, each transaction wherein Licensee does not realize such genuine selling price shall be disregarded, and royalties shall be computed and paid upon the equivalent of such genuine selling price. RCA Victor recognizes that sales to an affiliate may be made at the equivalent of genuine selling prices, and when and to the extent that RCA Victor is satisfied and agrees in writing that any such sale is made at a price equivalent to a genuine selling price, such price shall constitute the base for the computation of royalties.

"Affiliation" as herein used means any relationship, contract, arrangement, method or device wherein, with respect to any matter or thing which affects the amount of royalties payable hereunder, one or more of the parties to a transaction has or exercises, or has the power to exercise, directly or indirectly, in any manner, control, direction or restraint of the other or others, or wherein two or more of such parties in any manner, directly or indirectly, are subject to common control, direction or restraint.

Article IV.

Statements and Payments.

Section 1. Within thirty (30) days after March 31, June 30, September 30 and December 31 of each year during the term of this License Agreement, Licensee shall furnish RCA Victor with a statement certified by an officer of Licensee specifying the total amounts of royalties payable

to RCA Victor hereunder for each type of Licensed Apparatus sold hereunder by Licensee during the preceding calendar quarter, and shall at the same time make the payments prescribed therefor in Section 1 of Article III hereof. A similar statement shall be rendered and payment made within thirty (30) days after, and as of, the date of any termination of this License Agreement covering the period from the end of that covered by the last preceding statement to the date of such termination, which statement shall include Licensed Apparatus manufactured during the term of this License Agreement, or actually in manufacture upon the date of termination of this License Agreement, and not sold prior to such termination which, for the purpose of computing the payments to be made under Article III hereof, shall be considered as having been sold by Licensee prior to termination of this License Agreement.

Section 2. Licensee shall pay interest to RCA Victor upon any and all amounts of royalties that are at any time overdue and payable to RCA Victor at the rate of six per cent. (6%) per annum from the date when such royalties are due and payable as provided herein to the date of payment.

Section 3. Licensee shall keep true and accurate records, files and books of account containing all the data reasonably required for the full computation and verification of the royalties to be paid and the information to be given in the statements herein provided for, and shall at all reasonable times permit independent chartered accountants engaged by RCA Victor adequately to inspect the same for the sole purpose of determining the amounts payable by Licensee pursuant to Section 1 of Article III hereof.

Article V.

Patent and License Markings.

Licensee shall observe all reasonable requirements which RCA Victor by written notice to Licensee may from time to time impose with respect to marking Licensed Apparatus or parts thereof made and sold hereunder by Licensee with patent and license notices.

Article VI.

Term and Termination.

Section 1. This License Agreement shall be effective as of the date hereof and, unless sooner terminated as provided in Section 2 of this Article VI, shall continue in effect until December 31, 1955 and, subject to the right of either party to terminate the same on December 31, 1955 or at any time subsequent thereto by giving to the other at least six (6) months' prior written notice, shall continue thereafter until December 31, 1960.

Section 2.

(a) If Licensee shall at any time default in rendering any of the statements required hereunder, or in the payment of any monies due hereunder, or in fulfilling any of the other obligations or conditions hereof, and such default shall not be cured within thirty (30) days after written notice from RCA Victor to Licensee specifying the nature of the default, RCA Victor shall have the right to terminate this License Agreement by giving written notice of termination to Licensee, and upon the giving of such notice of termination this License Agreement shall terminate on the thirtieth (30th) day after such notice is given. Licensee shall have the right to cure any such default up to but not after the giving of such notice of termination.

(b) RCA Victor shall also have the right to terminate this License Agreement by giving written notice of termination to Licensee at any time upon or after the filing by Licensee of a petition in bankruptcy or insolvency, or upon or after any adjudication that Licensee is bankrupt or insolvent, or upon or after the filing by Licensee of any petition or answer seeking reorganization, readjustment or arrangement of the business of Licensee under any law relating to bankruptcy or insolvency, or upon or after the appointment of a receiver for all or substantially all of the property of Licensee, or upon or after the making by Licensee of any assignment or attempted assignment for the benefit of creditors, or upon or after the institution of any proceedings for the liquidation or winding up of Licensee's business or for the termination of its corporate charter; and this License Agreement shall terminate on the thirtieth (30th) day after such notice of termination is given.

(c) In the event of the direct or indirect taking over, or assumption of control, of Licensee's business by any superior authority, RCA Victor shall have the right to terminate this License Agreement at any time thereafter upon giving written notice thereof to Licensee, and upon the giving of such notice of termination this License Agreement shall terminate forthwith.

(d) If at any time during the term of this License Agreement an application shall be made to the Commissioner of Patents of Canada alleging that there has been an abuse (within the meaning of Section 65 (2) (b) of the Patent Act, 1935, as amended) of any of the patents under which Licensee is licensed pursuant to Section 1 of Article II of this License Agreement, by any act or acts of Licensee hereunder, RCA Victor shall have the right to terminate this License Agree-

ment by giving written notice of termination to Licensee, and upon the giving of such notice of termination this License Agreement shall terminate on the thirtieth (30th) day after such notice is given.

(e) If at any time during the term of this License Agreement Licensee shall acquire from any third party a license of a scope similar to or broader than the scope specified in Section 2 of Article II hereof, and under patents which include not only the patent under which a license is herein granted but other patents under which such third party has the right to grant licenses, Licensee shall have the right to terminate this License Agreement by giving written notice of termination to RCA Victor, and upon the giving of such notice of termination this License Agreement shall terminate on the last day of the calendar quarter during which such notice is given.

Section 3. Upon termination of this License Agreement, by expiration or otherwise, the license, rights and obligations hereunder shall cease and determine except that the license shall continue as to all specific pieces of Licensed Apparatus manufactured during the term of this License Agreement, or actually in manufacture upon the date of termination of this License Agreement, by Licensee, for the full terms of the patents under which such Licensed Apparatus is licensed hereunder to be made and/or sold, and except that no termination of this License Agreement by expiration or otherwise shall release Licensee from any of its obligations hereunder (including its obligation to furnish statements and to pay royalties with respect to Licensed Apparatus manufactured during the term of this License Agreement, or actually in manufacture upon such date of termination, by Licensee), or rescind or give rise to any right to rescind anything done or any payment made or other consideration given to either party hereunder, prior to the time such termination becomes effective.

Section 4. No failure or delay on the part of RCA Victor

in exercising its right of termination hereunder for any one or more defaults shall be construed to prejudice its right of termination for such or for any other or subsequent default.

Article VII.

Miscellaneous Provisions.

Section 1. Licensee intends to manufacture Licensed Apparatus at its factory located at .....
..... If Licensed Apparatus is to be manufactured at any other location, Licensee shall notify RCA Victor in writing of such other location prior to the commencement thereat of such manufacture.

Section 2. This License Agreement shall not be assignable by Licensee, in whole or in part, to any person, firm or corporation whatsoever, nor shall the rights herein of Licensee be or become in any way, directly or indirectly, transferable or available to, or divisible or capable of being shared with, any other party, without the prior written consent of RCA Victor.

Section 3. Any notice or request required or permitted to be given under or in connection with this License Agreement or the subject-matter hereof shall be deemed to have been sufficiently addressed when, if given to RCA Victor, it shall be addressed to RCA Victor Company, Ltd., 1001 Lenoir Street, Montreal 30, Quebec, and when, if given to Licensee, it shall be addressed to .....
..... and in each case either delivered at such address to an officer of the party to which given, or sent by registered mail. If mailed, the date of mailing shall be deemed to be the date on which such notice or request has been given. Either party may give written notice of a change of address and, after notice of such change has been received, any notice or request shall thereafter be given to such party as above provided at such changed address.

Section 4. This License Agreement is executed and delivered within the Province of Quebec, Canada, and it is the intention of the parties that it shall be construed, interpreted and applied in accordance with the laws of the Province of Quebec.

Section 5. This License Agreement sets forth the entire agreement and understanding between the parties as to the subject-matter of this License Agreement and merges all prior discussions between them, and neither of the parties shall be bound by any conditions, definitions, warranties or representations with respect to the subject-matter of this License Agreement, other than as expressly provided in this License Agreement or as duly set forth on or subsequent to the date hereof in writing and signed by the party or by a proper and duly authorized representative of the party to be bound thereby.

In Witness Whereof the parties hereto have caused this Agreement to be executed as of the day and year first above written.

RCA Victor Company, Ltd.

This draft has been prepared solely for use as a basis of discussion. No part of it has been finally approved or agreed to by either party and neither party is in any way bound thereby.

By .....

Attest:

.....

Witness:

.....

This draft has been prepared solely for use as a basis of discussion. No part of it has been finally approved or agreed to by either party and neither party is in any way bound thereby.

.....

(Licensee's Name)

DEFENDANT'S EXHIBIT NO. 171.

License Agreement.

This License Agreement dated as of the ..... day of ....., 1963, between Hazeltine Corporation, a corporation of the State of Delaware, U. S. A., (hereinafter called Licensor) and Canadian Radio-Patents Limited, a private company organized under the laws of the Dominion of Canada (hereinafter called Licensee),

Witnesseth That

Whereas the Licensor represents that it owns or has the right to grant exclusive licenses under various patents and applications for patents of the Dominion of Canada for inventions useful in licensed apparatus as hereinafter specified and defined, and maintains laboratories with a staff of engineers, research men and inventors, and expects to file further patent applications and to obtain further patents of the Dominion of Canada important in the fields of this agreement; and

Whereas the Licensee desires an exclusive license in the field hereinafter mentioned with the right to grant sublicenses under such patents issued and to be issued and under said applications;

Now, Therefore, in view of the premises and in consideration of the licenses herein contained and agreed to be granted, the mutual covenants and agreements herein contained, the parties hereto agree as follows:—

Article I.

Definitions.

For the purposes of this agreement, the following definitions shall apply:—

Section 1.

As hereinafter used, the word "patent" will be deemed to include either a Canadian patent which is already issued, or an application for Canadian patent, or a Canadian patent which may issue on an application for a Canadian patent.

Section 2.

The "field of this agreement" is television, meaning specifically broadcast transmitters and receivers for the transmission and reception of either monochrome or color television signals by radio waves or wire.

Section 3.

The term "receiver" means the complete, operable apparatus, including at least the sound and picture reproducers and all tubes and/or equivalent semiconductor devices and components, for receiving signals from broadcast stations and converting them into television pictures and accompanying sound.

Article II.

Licenses.

Section 1.

Licensor hereby grants and agrees to grant to Licensee upon the terms and conditions hereinafter set forth and solely and only to the extent hereinafter specified and defined, an exclusive license with the right to grant sublicenses to practice in the manufacture, use, and sale of television receivers and transmitters the inventions of all Canadian pat-

ents now or hereafter owned by Licensor within the field of this Agreement, or under which Licensor during the term of this Agreement acquires the right to grant licenses to others but, in the case of patents of others under which Licensor shall have only a limited right to grant licenses, the licenses herein granted are subject to any limitations to which that right may be subject.

Section 2.

No license is granted under any Letters Patent of others which or rights under which are held by Licensor under an agreement such that Licensor can grant licenses only upon the payment of royalties or other consideration by Licensor to others; provided however, that Licensor will from time to time keep Licensee informed of all such agreements and that Licensee may at any time obtain rights under such agreements corresponding to the licenses herein granted, so far as such agreements permit, upon payment to Licensor of any amounts which Licensor is required to pay under such agreements because of Licensee's exercise of such rights.

Section 3.

No license is granted under any patents foreign to Canada.

Section 4.

The licenses herein referred to shall include the right to import licensed apparatus within the field of this Agreement into Canada unless it shall reasonably appear that such importation shall constitute grounds for requiring the grant of compulsory licenses to others in accordance with Canadian law under the patents licensed herein, or grounds for forfeiture in accordance with Canadian law of said patents. Licensee agrees and will require its sublicensees to agree to manufacture in Canada such proportion of their

total licensed apparatus licensed hereunder as may from time to time be necessary to satisfy the requirements of Canadian law in order to prevent the granting of compulsory licenses to others under the patents licensed hereunder or the forfeiture thereof.

Article III.

Enforcement of Patents.

Section 1.

Licensee agrees to use its best efforts to enforce all patents licensed by this Agreement by sublicensing Canadian manufacturers or users or vendors operating within the field of this Agreement, or by resorting to infringement litigation where necessary.

Article IV.

Royalties and Expenses.

Section 1.

Licensee shall maintain a schedule of royalties chargeable on a non-discriminatory basis to sublicensees including manufacturers, users or vendors associated with Licensee in any capacity, as by stock ownership. Such schedule will set a percentage royalty based on the sales price of receivers and transmitters for each or all of the patents licensed herein useful in receivers or transmitters and will be worked out in consultation with Licensor and will be subject to the approval of Licensor if the royalty rates do not at least equal royalty rates obtained by Licensor for the corresponding patents in the United States.

Section 2.

Royalties received by Licensee will be shared by Licensee and Licensor in the following manner.

Licensee's net costs of administration of its licensing

program, including litigation, salaries and accounting costs will be determined and will be subject to the approval of Licensor if in excess of normal reasonable costs of administration of comparable licensing programs in the United States.

From Licensee's gross royalty income, there will be deducted the net costs of administration, and the remainder will be shared in the proportion of 80% to Licensor and 20% to Licensee.

Article V.

Reports and Payments.

Section 1.

During the term of this Agreement, Licensee will maintain records of

1. The manufacture, use or sale of all apparatus subject to royalty hereunder.
2. All costs of administration of its licensing program attributable to the licensing of the patents licensed hereunder, including litigation costs, accounting costs and salary costs fairly allocatable to the licensing of the patents licensed hereunder.

Such records will be in sufficient detail to enable the royalties payable hereunder to Licensor to be determined and Licensee agrees to allow such investigation of all its operations hereunder as may be necessary to determine Licensee's compliance with this Agreement and the accuracy of said records and the statements to be furnished hereunder. Licensee further agrees to permit Licensor's duly authorized representative or, at the option of Licensee, a reputable certified public accountant to inspect such records at all reasonable times.

Section 2.

Within thirty (30) days next following the calendar quarters ending March 31, June 30, September 30 and December 31 of any year during the term of this Agreement Licensee will furnish Licensor with written statements over the signature of some officer of Licensee setting forth the number of units of apparatus upon which royalties are payable hereunder, Licensee's administration costs, the royalties paid or payable, and the amounts due Licensor hereunder for the preceding calendar quarter.

The royalty prescribed herein shall be due and payable with such statements.

Section 3.

Licensee agrees to pay interest to Licensor upon any and all of royalties that are overdue to Licensor at the rate of 6% per annum from the date when such royalties are due and payable.

Section 4.

All money values herein shall be in Canadian funds.

Article VI.

Patent Marking.

Section 1.

Licensee agrees to have marked on all licensed apparatus manufactured and sold by Licensee and/or its sub-licensees hereunder the word "Patented" followed by the years of the grants of the patents which are, in the opinion of the Licensee, involved in such apparatus, or such other patent marking as otherwise may be required under the provisions of the Patent Act of the Dominion of Canada.

Article VII.

Litigation.

Section 1.

The Licensee is authorized, subject to the limitations contained in this Agreement, to take the necessary legal steps to restrain and to secure compensation for all infringements of the Licensor's patents coming within the scope of this Agreement and to oppose the revocation of any of said patents or the grant thereunder of compulsory licenses in conflict with the license herein granted, and to that end to bring or defend legal action in its own name, or, with the consent in writing of the Licensor, which consent will not unreasonably be withheld, jointly with the Licensor, whose name may be added as co-plaintiff or co-defendant for such purposes. The Licensee will meet and defray any and all expenses in any such action prosecuted or defended by the Licensee and will fully indemnify the Licensor for any damages, costs and expenses which it may sustain or be called upon to pay by reason of its name being added as a party to such proceedings. All damages, profits or other recoveries obtained from infringers of the said patents within the fields of this license, whether such recoveries concern infringement either before or after the date of this Agreement shall be reported and shared in the same manner as royalties are under the provisions of this Agreement.

Provided, however, that the Licensor shall be given by the Licensee prompt and full notice of any such proposed action and the Licensor shall have the right if it so desires to participate in any such legal proceedings or the prosecution or defense thereof by its own counsel and to approve of the strategy and procedure adopted, which approval will not be unreasonably withheld, such participation to be at its own expense; in the event that only the rights or interests of the Licensor outside of the license herein granted may be

affected, the Licensor shall conduct the said litigation at its own expense. Also, the Licensor shall have the right at its own expense to bring and conduct litigation which it deems necessary to protect its patent situation, subject to the right of the Licensee to approve of the strategy and procedure adopted, which approval will not be unreasonably withheld.

Section 2.

The Licensor agrees that it will cooperate with the Licensee in said enforcement of patents and prevention of unlicensed competition in patented apparatus, including the furnishing of statistical and technical information and other facts relating to such enforcement and prevention; provided that such cooperation shall be at the cost of the Licensee and shall not unreasonably interfere with any of the Licensor's operations.

Article VIII.

Prosecution of Patent Applications.

The Licensor agrees that as soon as it is reasonably possible after the execution of this Agreement it will transmit to the Licensee a statement of all patents and applications for patents of the Dominion of Canada now owned or controlled by Licensor or under which Licensor has the right to grant licensee, under which licenses will pass to the Licensee under this Agreement, and that in every case hereafter as soon as it is reasonably possible after the filing by it or on its behalf of a U. S. patent application (if licenses under a corresponding Canadian application would pass to the Licensee under this Agreement), it will transmit promptly a copy of such application to the Licensee with or without claims as Licensor may elect. In the event an application is filed by the Licensor in the U. S. Patent Office and, if for good and sufficient reasons a corresponding Canadian application is not filed within nine months after the filing of

the United States application, the Licensee shall have the right of filing said Canadian application at its own expense, in which event the Licensor will authorize the issuance of the patent in the name of the Licensee and will supply Licensee with all necessary documents to enable Licensee to obtain and maintain patent protection thereon.

The Licensor, during the life of this Agreement, will prosecute in the Canadian Patent Office at its own expense the patent applications filed by it and coming within the scope of this Agreement to the same extent and with the same care as is exercised with regard to other applications owned by the Licensor.

Article IX.

Notices.

Any notice hereunder must be in writing and may be given by registered letter and shall be deemed to have been given when such registered letter, properly addressed, is mailed; if given otherwise than by registered letter, it shall be deemed to have been given when delivered. If such notice is to be given to Licensor, it shall be addressed to Licensor at its office, 59-25 Little Neck Parkway, Little Neck 62, N. Y.; if given to Licensee, it shall be addressed to Licensee at 200 St. Clair Ave. West, Toronto, Ontario. Either party hereto may at any time by thirty (30) days' notice to the other designate any other address in place of those above given.

Article X.

Term and Termination.

Section 1.

Unless sooner terminated as herein provided, this Agreement shall continue in force for a period of five (5) years from the effective date hereof and, if Licensee shall have fully and faithfully performed all of its obligations hereunder, thereafter for an additional period of five (5) years, unless Licensee shall have given six months' notice to the Licensor prior to the end of the first five-year period of its election to terminate this Agreement.

Provided, however, with respect to patents owned or controlled by the Licensor during the period or periods of the continuance of this Agreement, the license herein granted to Licensee and, at Licensee's option, the sub-licenses granted hereunder by Licensee, shall continue in force in accordance with the terms of this Agreement until the ends of the terms of said patents with respect to apparatus which at the termination of said period or periods have been manufactured or are in process of manufacture or for which firm orders have been received prior to said termination.

Section 2.

Licensor, at its option, may terminate this Agreement (a) in case at the end of any twelve (12) months' period ending December 31st of any year, the royalty payments hereunder accruing to Licensor for that period are less than Fifty Thousand ($50,000) Dollars and unless within thirty (30) days after the end of such twelve months period the Licensee of its own motion pays to Licensor an additional sum of money equal to the difference between the accrued royalties and Fifty Thousand ($50,000) Dollars; (b) on the failure of Licensee to render statements, to pay royalties or to make any other payments due under this Agreement;

(c) on Licensee's failure to comply with any other provision of this Agreement; (d) at any time upon or during the bankruptcy, receivership or insolvency of Licensee or the appointment of a receiver or trustee for its property, or upon or after an assignment for the benefit of creditors. Any such termination by Licensor shall be by notice in writing to Licensee, stating the reason for the termination and, unless such default or failure has been rectified in the meantime, said termination shall take effect thirty (30) days after such notice is given.

Section 3.

No termination of this Agreement for any cause shall release Licensee from any of the liabilities hereunder accruing to Licensor or rescind anything done or any payment or other consideration made or given to either party hereunder prior to the time such termination becomes effective. No failure on the part of Licensor to exercise any right of termination hereunder shall be construed to prejudice any subsequent right of termination.

Article XI.

Successors and Assigns.

Neither this Agreement nor the licenses, rights or privileges herein granted shall be directly or indirectly by operation of law or otherwise, assigned, transferred, divided or shared by Licensee (except with its sublicensees) with any person, firm or corporation whatsoever, without the written consent of the Licensor but such consent shall not be unreasonably withheld. This Agreement shall inure to the benefit of the successors or assigns of the Licensor, but neither the Agreement nor the licenses, rights or privileges herein granted shall inure to the benefit of the successors,

assigns or any legal representatives of the Licensee without the written consent of the Licensor having first been obtained, but such consent shall not unreasonably be withheld.

Article XII.

This Agreement is to be governed by and interpreted in accordance with the laws of the Dominion of Canada.

Article XIII.

The parties hereto hereby agree to execute and deliver with reasonable promptness such other instruments and perform all such acts as may be reasonably necessary for carrying out the provisions and purposes of this Agreement.

In Witness Whereof, the parties hereto have caused this instrument to be executed in duplicate by their proper officers thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

Hazeltine Corporation,

Witness: .....

.....

President.

.....

Secretary.

Canadian Radio Patents Limited,

Witness: .....

.....

President.

.....

Secretary.

DEFENDANT'S EXHIBIT NO. 172.

(Letterhead of Trav-ler Radio & Television Corporation, Chicago, Illinois.)

Hazeltine Corp.
15 Exchange Place,
Jersey City, N. J.

Gentlemen:

We have had a few inquiries from prospective customers in Canada.

Please send us any information you have regarding Canadian Patent Rights. We would like to know if we can sell our merchandise and if there is any Canadian law which does or does not permit the sale of same.

Any information you can supply us with in this regard will sincerely be appreciated. Awaiting your early reply, we are

Yours very truly,

Trav-ler Radio & Television Corp.,
E. Lemsky.

EL:IK

May 10, 1940

Mr. E. Lemsky
Trav-ler Radio & Television Corp.
1028 W. Van Buren Street
Chicago, Illinois

Dear Mr. Lemsky:

This is in answer to your letter of May 2 with respect to Canada. A group of patents generally corresponding to those owned or controlled by Radio Corporation of America is vested in Canada in the Canadian Radio Patents Ltd. This company has a number of licensees in Canada, and it is my understanding that they will not license sets for importation into their country. They are located at 159 Bay Street, Toronto. Perhaps you can write to them direct.

The Hazeltine Corporation patents in Canada are not entirely under our control, and consequently licenses can only be obtained by a manufacturer in Canada.

With every good wish.

Yours very sincerely,

Hazeltine Corporation
Illegible
Vice President-Treasurer.

JB:AO

DEFENDANT'S EXHIBIT NO. 173.

April 27th, 1945.

Report of Meeting held at the Ritz-Carlton Hotel, Friday, April 27th, 1945, at which the following were present:

Mr. B. M. Coles Mr. H. A. Ceech	representing Canadian Westinghouse
Mr. Cran Mr. R. M. Brophy	representing Rogers-Majestic
Mrs. S. M. Finlayson	representing Canadian-Marconi
Mr. J. C. Macfarlane Mr. S. D. Brownlee	representing Canadian General Electric
Mr. W. W. Richardson	representing Canadian Radio Patents Ltd.
Mr. J. C. MacKenty Mr. Meyers	representing Radio Corporation of America
Mr. Deakin Mr. Marpole Mr. Elder	representing RCA-Victor
Mr. R. D. Harkness Mr. M. K. Pike Mr. A. J. R. Lamone	representing Northern Electric

Mr. Brophy opened the meeting and asked Mr. MacKenty what points he desired to place before the meeting in connection with the Canadian Patent situation.

Mr. MacKenty reiterated the stand R. C. A. had taken at the last meeting, that is, they could not transfer patents to RCA-Victor or Canadian Radio Patents Limited, but that they would like to canvass the situation and see if we had any ideas as to what could be done to resolve the matter.

Mr. Ceech proposed that R. C. A. give their patent rights to RCA-Victor, their Canadian subsidiary, who could then deal as a Canadian Company with Canadian Radio Patents Limited. Mr. MacKenty stated that this was being given consideration.

Mr. MacKenty then put forward the proposition which they were considering that is, to grant non-exclusive rights to RCA-Victor with the right to grant sub-licenses; RCA-Victor would then be in a position to enter into a contract with Canadian Radio Patents Limited, by which they would grant a non-exclusive right to Canadian Radio Patents Limited with the right to grant non-exclusive licenses, with the following provisions:

1. No fixing of licensees' prices.
2. No setting of quotas.
3. No control of production.
4. No control of character of product.
5. No control of quantities of product.
6. No control of markets, either by limitation of territory or limitation of customers.
7. No discrimination between licensees.
8. License all responsible applicants.
9. License imports from the United States.
10. Permit exports to the United States.

Discussion then took place as to what remuneration R. C. A. had in mind, and they intimated that their patent position was as strong as that of Canadian Radio Patents Limited, in the radio receiving set field. It was asked —would they be satisfied with one-sixth of the remuneration received by Canadian Radio Patents Limited, to which they said they would give consideration, but were not in a position at the moment to state whether this would meet their views.

They also advised that they had drafted a new license

agreement for the Canadian field on the basis of 2¼% of the selling price of the Canadian radio receiving set, less tubes and Excise Tax, which we understand is equivalent to 2% of the selling price.

Mr. MacKenty is to send us a copy of his notes with regard to the points 1 to 10 mentioned above.

A. J. R. Lanoue.

AJRL:PM

DEFENDANT'S EXHIBIT NO. 174.

Canadian Radio Patents Limited
159 Bay Street
Toronto

Minutes of a meeting of CRPL shareholder company patent department representatives held in Toronto, Tuesday, October 17, 1950.

Present: Messrs B. McConnell, R. S. Harrison, F. H. Hamer, L. C. Prittie, R. A. Eckersley, J. Young, J. F. Patterson, J. P. Fotheringham, J. C. Macfarlane and S. D. Brownlee.

1. Minutes of Previous Meeting (March 1, 1950).

Mr. S. D. Brownlee reviewed the minutes of the last previous meeting of the group held in Toronto, March 1, 1950, and the minutes were approved in the form distributed by mail.

2. Patent Evaluation Report.

It was noted that the original patent evaluation report prepared in 1948 had contained a breakdown of the principal patents by companies and divided into three categories, AM receivers, FM receivers and television receiv-

ers with a further breakdown to show patents classified as:—

"A" generally used and useful for litigation and
"B" used in some instances and as a possible use in litigation against specific infringing receivers.

In view of the proposed broadening scope of CRPL, it was suggested that the patent evaluation report be enlarged to include other fields in which CRPL might be expected to receive requests for licenses or in which infringement action might be contemplated.

After general discussion, it was recommended that rather than specifically listing only those patents classified as either "A" or "B" all patents of each company should be listed for each field and that those patents in the list considered as "B" be marked by a single asterisk and those classified as "A" be marked by a double asterisk. It was also recommended that the lists of patents for each field be made independent of the lists for other fields so that if a single patent is applicable in several fields it will appear in each list.

Mr. Hamer noted that his company might not approve submission of such classified lists of the Philips Canadian patents in view of the fact that CRPL has not as yet completed the formal input arrangements to cover licensing in some of the fields discussed under the suggested broadened scope.

After general discussion, the following fields were suggested for the new Patent Reports:

1. AM Receivers;
2. FM Receivers;
3. TV Receivers;
4. Audio Frequency Amplifiers;
5. Receiver Tubes for 1, 2 and 3;
6. Transmitter Tubes;

7. Tubes for UHF;
8. Special Tubes (including photo cells);
9. Transistors and other semi conducting devices.
10. Transmitters;
11. Television studio equipment;
12. Apparatus and systems for relay links;
13. Radar;
14. Aids to Navigation;
15. Sound recording and reproduction (including moving pictures);
16. Facsimile;
17. Antennae;
18. Other systems of communication not covered in the above.

It was recommended that each CRPL shareholder company that is in a position to do so prepare complete and separate lists of all of its patents applicable to each of the 18 headings noted above, indicating by asterisks (in the manner previously noted) the patent considered as either "A" classification or "B" classification and submitting the lists to the CRPL office for collation in complete reports under each of the 18 headings.

3. "Radio Purposes" Definitions

The definition of "Radio Purposes" contained in the draft CRPL input agreement dated March 31, 1950, distributed to the CRPL shareholder companion for consideration in April was reviewed with a view to determining whether or not it appeared to adequately cover for example the eighteen fields listed above. It was the general consensus of opinion that each of these eighteen fields appeared to be included within the scope of the "Radio Purposes" definition but it was also noted that the term "Communications" might be interpreted as being considerably broader than normally considered unless tied down more specifically.

Mr. Macfarlane noted that similar definitions of "Radio Purposes" had been used in recent patent agreements in the United States but in one recent example "radio distance indication or control" or "remote indication and control by radio" had been added after the words "position finding". Mr. Macfarlane also noted that in recent U. S. agreement using this form of definition the "Grant of Licenses" clauses had been worded to emphasize that the license included coverage on the processes, parts, tools and machines used in the manufacture of the licensed apparatus.

4. Farnsworth.

Mr. McConnell noted that the Farnsworth Patent referred to in the minutes of the March 1st, 1950 meeting as No. 386,493 should be No. 384,693.

Messrs. Macfarlane and Brownlee reported that they had discussed the Farnsworth situation with Hazeltine representatives during a visit to the Hazeltine Labs. in August, 1950, and that Mr. Dodds of Hazeltine had noted that the most important Farnsworth U. S. patent appears to be No. 2,051,372 on the High Voltage Power Supply and that Farnsworth also has a U. S. Patent No. 2,059,863 on the Blocking Oscillator although the latter patent claims do not appear to correspond to the disclosure and the patent might not stand up in litigation. Hazeltine also referred to a Farnsworth U. S. patent referred to as the "Retrace Blackout" but noted that infringement would require a complete system including a receiver and a transmitter and any possible application of the Retrace Blackout patent to receiver manufacturers would involve the question of contributory infringement.

Mr. Hamor recommended that all previous reports on Farnsworth and other groups of adversely held patents be compiled into single reports for convenient reference and S. D. Brownlee agreed to prepare such reports.

5. Zenith.

It was noted that no corresponding Canadian patent has issued to date at the "Adler Tube" covered in Zenith U. S. patent No. 2,511,143 (Gated Beam).

As a matter of general interest, it was noted that the Zenith Phonovision experiment in Chicago has been delayed until November and that there is no knowledge of any specific patent situation covering this system.

6. DuMont.

It was noted that the RCA-DuMont suit in the United States has been settled and that DuMont have now apparently taken a standard RCA receiver license.

Mr. Macfarlane noted that three U. S. DuMont patents 2,483,607; 2,508,267 and 2,451,590 have been reported of interest but apparently no corresponding Canadian patents have issued to date. However, it has been observed that DuMont has recently been filing corresponding Canadian applications on most of its developments.

7. Pye.

It was noted that there is no new report on the Pye patent situation in Canada which was covered in detail in the minutes of the March 1st, 1950 meeting.

8. EMI.

Mr. Young of Canadian Marconi volunteered to prepare a report on the EMI patents and it was recommended that S. D. Brownlee also check with RCA to determine the present status, particularly of applications filed after 1944 when the original EMI-RCA arrangement apparently terminated.

9. Parker Patents.

It was noted that there is still no report on the outcome of the ownerwship of the Lewis Parker Patent on Intercarrier Sound. This patent is still considered of im-

portance in the television field and it was recommended that all representatives continue to make enquiries and advise CRPL of any new information with respect to the matter.

10. Philco.

Messrs. Macfarlane and Brownlee reported that they had not had an opportunity since the last meeting to follow up with Philco to obtain an up-to-date list of Philco patents considered of importance for possible litigation, but such a report will be obtained from Philco as soon as possible.

11. Columbia Colour TV.

In the course of general discussion of the FCC's announcement on colour TV, is was noted that President Stanton of Columbia had stated that Columbia would issue licenses under its colour patents at royalty rates varying from 25¢ to $1.00 for complete receivers, 50¢ for converters and that no royalty would be involved in adapting present black and white receivers to receive Columbia type colour programs in black and white.

It was noted that in general the Columbia system involved principles so old that nothing basic in the way of patents would likely exist but that some specific patents to Dr. Goldmark might be worth considering if the present Columbia Colour television system actually goes into general use. It was recommended that all representatives investigate this matter.

12. Sylvania.

It was noted that copies of a notice to cathode ray tube manufacturers in the United States have come to the attention of Canadian tube manufacturers. The notice refers to Sylvania's U. S. patents 2,211,613 and 2,211,614 relating to guns used in TV picture tubes of the ion trap

type. Apparently corresponding patent applications have been pending in Canada for at least ten years but the exact date of filing in Canada is not as yet known and, if the date is not too early, there appears to be some possibility that prior publications may be effective against any possible valid Canadian patents issuing on this developement. Since the development included not only the picture tubes but also the auxiliary material assembled with the tube in television chassis production, the patents are of interest in the TV receiver as well as in the tube manufacturing fields.

13. I. T. & T.

Mr. Young noted that I. T. & T. have a considerable number of patents on relays, as for example a Reeve patent on pulse count (or code) modulation and these may be of importance in some of the broader fields to be considered by CRPL.

14. Hazeltine.

Mr. Brownlee reported that Mr. L. B. Dodds of Hazeltine Corp. had submitted a detailed review of the Hazeltine Canadian Patents which he considered of sufficient importance for use in litigation, and after dicussion it was recommended that a copy of Mr. Dodds' letter be attached as Appendix "A" to the minutes of this meeting.

Mr. McConnell submitted a revised classification of the Hazeltine Canadian Patents in radio and television for incorporation in the patent evaluation report.

15. Armstrong.

Mr. Young reported that there was no new word on the Armstrong-RCA patent litigation in the United States.

16. Rediffusion Inc.

It was noted that there had been no recent reports on activities of Rediffusion but it appears that most of the

patents applicable to standard radio or television receivers would also be applicable to the equipment to be used by Rediffusion Inc. if it proceeds with its announced plans for closed wired radio and TV systems in Montreal.

16. Litigation.

It was noted that Mr. Gowling has been requested to review the principal Hazeltine Canadian Patents preparatory to possible use in litigation but no progress reports have as yet been received from Mr. Gowling.

It was noted that the Harries patent action in the United States (referred to in minutes of last meeting) was lost on appeal and there has been no further word with respect to possible action in Canada.

17. Importation.

Mr. Macfarlane reported discussions with RCA attorneys with reference to interpretation of the Canadian Patent Act in the manner of importation and all representatives were requested to review this situation and report any cases of interest in the interpretation of Section 65 of the Canadian Patent Act insofar as it refers to importation as an abuse under the Act.

18. (Illegible).

It was noted that RCA recently announced reductions in its U. S. radio and television receiver royalty rates and has stated that there would be no added royalty for use of its colour patents if its system is approved by the FCC.

19. (Illegible) Patent Conditions.

It was pointed out that consideration was being given to possible extension of the royalty free license granted by Sealandair to the government during the last war and that such consideration ties in with the general problem brought up by the wording of the patent condition clauses

with respect to royalty payments and patent ownership resulting from government development contracts on products for the armed services.

It was noted that several of the patent department representatives have been individually working on possible alternatives to the clauses relating to patents in the "General Conditions" applying to government development contracts and it was recommended that to avoid duplication of effort suggested alternative clauses and general information on this matter be channelled through Canadian Radio Patents Limited.

20. General.

Mr. Patterson referred to the Canadian Polydorff Patent No. 405,883 relating to powdered iron cores in rotating antennae as of possible general interest. It was noted that on this same subject there are U. S. patents 2,442,310, 2,399,382 but to date there appears to be no corresponding Canadian patents.

Adjournment.

There being no further business before it, the meeting adjourned at 4:30 p.m.

DEFENDANT'S EXHIBIT NO. 175.

September 10, 1945

Mr. J. C. Macfarlane, Secy.-Treas.
Canadian Radio Patents Ltd.
159 Bay Street
Toronto, Canada

Dear Mr. Macfarlane:

In accordance with the promise I made during our conversation on Friday, September 7th, I am enclosing herewith a list of the Hazeltine Corporation licensees in the United States as of the present date. We will keep you advised of any additions or changes from time to time.

We also discussed the effect of the minimum guarantee during the present year now that the Canadian Government has removed its restrictions on the manufacture and sale of radio equipment for use in the home. In looking over the agreement between our two companies, we find that Article XIV, Section 4 bears on this subject. In order to clear the point we discussed and to aid in reconversion, Hazeltine will waive any minimum royalty payment for the year ending December 31, 1945. This waiver will not affect the payment of royalties due on sales during this period in accordance with the provisions of Articles IV and V.

After January 1, 1946, the agreement will continue in force according to its terms. We trust this is satisfactory to you.

Yours very sincerely,

Hazeltine Corporation,
(Illegible),
President.

JB:OJO

Enc.

DEFENDANT'S EXHIBIT NO. 176.

Canadian Radio Patents Limited
159 Bay Street
Toronto

January 9, 1947

Mr. Jack Binns,
Hazeltine Corporation,
821 National Press Building,
Washington 4, D. C.

Dear Mr. Binns:

We have been working on a new form of license for the CRPL royalty-paying licensees and, since many of these licensees are affiliated with companies in the United States that pay royalties to RCA and to Hazeltine, we feel that it would be advantageous to compare our proposed license with those now being issued in the United States, particularly with respect to lining up definitions, basis of royalty application and the like.

We have a copy of the 1946 RCA license for radio broadcast receiving sets and electrical phonographs but we do not appear to have on record a copy of the standard license currently in use by your Company and we would very much appreciate it if you would let us have a copy.

With best regards and every good wish for the New Year,

Yours very truly,

(Illegible),
Manager.

SDB/m

DEFENDANT'S EXHIBIT NO. 177.

July 20, 1953.

Mr. S. D. Brownlee, Secretary-Treasurer
Canadian Radio Patents Limited
159 Bay Street
Toronto, Canada.

Re: Hazeltine—CRPL Agreement
of July 2, 1943.

Dear Mr. Brownlee:

You will recall that under Article IX of the subject Agreement Hazeltine agrees to supply you, for use in Canada, its general technical reports, etc. It is my understanding that you, in turn, have been distributing this information among your licensees in Canada.

To the best of my knowledge there is only one of your licensees in Canada which has a counterpart in the United States which is not licensed under the Hazeltine patents and that is, Crosley Radio & Television Limited. The matter recently came to my attention through an announcement that Avco Manufacturing Corp. of this country, of which Crosley is a division here, was organizing a new Canadian subsidiary, Avco of Canada Limited, which would acquire, among others, Crosley Radio & Television Limited.

At the present time we are in serious litigation with Avco (Crosley) in this country and, if we can reasonably do so; we should like to avoid the possibility of the Hazeltine technical reports and information reaching the United States Company via the Canadian subsidiary. I do not know just what your undertakings are with your licensees for the supplying of such technical information or whether it would embarrass you to withhold the Hazeltine reports from the

Crosley company there. In any event, I thought it would do no harm to ask you whether or not the reports could be withheld from Crosley without embarrassment to you.

Incidentally, since our conversation in Toronto some months ago, I have been curious to learn as to whether you resolved your difficulties with Admiral.

With kind regards.

Sincerely,

(Illegible),
Vice President.

DEFENDANT'S EXHIBIT NO. 178.

Copy

Appendix "A".

Hazeltine Corporation
5825 Little Neck Parkway
Little Neck, N. Y.

August 11, 1950.

Mr. S. D. Brownlee, Manager
Canadian Radio Patents Limited
159 Bay Street
Toronto, Ontario, Canada

Dear Mr. Brownlee:

In further reply to your letter of June 27, 1950, and supplementing my letter of July 6, 1950, I have now reviewed the Hazeltine Canadian patents and call your attention to the following which may be of sufficient importance for use in litigation against unlicensed Canadian radio and TV manufacturers:

398,523 (Reissue of 374,220; U. S. Re. 21,176)

Claims 25-28 of this patent added by the reissue cover a TV scanning yoke with a small condenser connected across half of the yoke to neutralize the unbalanced yoke capacitance and eliminate spurious ripples in the scanning pattern. The arrangement is in general use in this country.

404,449 (U. S. 1,958,027)

375,284 (U. S. 2,015,327)

These two patents cover the circuit and tube, respectively, of the electron-coupled mixer stage. U. S. 1,558,027 originally included very broad claims to this device but the broader claims were lost in Interference to RCA and issued in their patent 2,323,250. The claims remaining in these two patents, while quite restricted in scope, do cover nearly all AM receivers made in this country.

370,215 (U. S. 1,879,863, Re. 19,744, and 2,080,646)

This patent broadly covers the present form of automatic volume control in universal use in radio receivers and in some use in television receivers. It also includes claims (Claims 6-11) broadly to a visual resonance indicator such as the magic-eye tuning indicator. While U. S. Re. 19,744, directed to automatic volume control, was held invalid by our Supreme Court, it had previously been held valid and infringed in very strong opinions by the United States District Court and the Court of Appeals. We have always felt that the lower courts were right and the Supreme Court wrong and that view is shared generally in industry here even by those who have consistently fought Hazeltine. We would not be at all hesitant in relitigating the patent in Canada.

393,945 (U. S. 2,196,881)

This patent covers a double tuned preselector of constant bandwidth. It has been used to some extent in TV receivers, particularly in the continuously tunable type.

404,881 (U. S. 2,211,718)

A VHF and UHF amplifier in which the imput conductance is neutralized by a properly proportioned cathode inductance. The circuit is used to a considerable extent in the new TV receivers.

408,698 (U. S. 2,240,490)

408,699 (U. S. 2,240,507)

These two patents cover the so-called "proportional clipper" for clipping sync pulses from the video signals at root of the synchronizing pulses irrespective of variations in amplitude of the video signal. They have been used to a limited extent in television receivers.

409,659 (U. S. 2,269,540)

This is directed to a combined grid circuit d-c rosterer and manual contrast control stage in which adjustment of the latter does not affect the black level stabilization. It has been used to a moderate extent in TV receivers.

463,327 (U. S. 2,463,229)

Claims 11-14 of this patent broadly cover a grounded grid amplifier tube of the construction exemplified in the type 6J4 tube. The claims in question were taken from RCA in Interference proceedings involving their application involving the 6J4 developments. The invention is used to a considerable extent in UHF and VHF apparatus including TV.

If there is any further information you want, will you please let me know. We shall be looking forward to seeing you in New York in the near future and can at that time discuss the question more fully.

You probably know that we have closed our New York office and concentrated all our activities at the laboratory at Little Neck. If you can let us know when you will be

in New York and when you would like to come out to Little Neck, we can simplify your transportation out here, I believe.

With kind regards.

Sincerely,
(Sgd.) L. B. Dodds,
Vice President.

LBD:rbj

DEFENDANT'S BULK EXHIBIT NO. 179.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1314.

November 4, 1936

Grosser & Glass Ltd.
31 Twelfth Street, West
Prince Albert, Sask., Canada

Gentlemen:

In reply to your kind letter of October 31st, we are very happy to send you a copy of our current catalog and price list covering the new 1937 line. In this catalog you will find the various models which we have available for export, and you will easily be able to see why it is that Zenith has gained supremacy in the radio field. You will agree that our prices are very fair, considering the exceptionally high quality of these radio receivers.

Zenith radio has enjoyed far more acceptance than any other radio manufacturer during the past year, and this is due only to our advanced engineering, the durability and performance of our radio sets, and the many outstanding new features which have not as yet even been thought of by other manufacturers.

Because of various restrictions and because manufacturers must have a license to sell radio receivers in Canada, we can only make shipment on a basis of F.O.B. factory, Chicago. On this basis we will be happy to allow you a discount of 50% on the prices shown on the above-mentioned price list.

With your order will you be so kind as to send cash to cover the value of the receiver, plus transportation charges? This will expedite matters a great deal, and we can assure you of prompt attention to your orders.

We sincerely hope that the foregoing is quite clear and that you will not fail to ask any questions you may have.

We are looking forward to the opportunity of serving you, and hope that soon we will be able to number you among the many enthusiastically satisfied Zenith accounts.

Yours very truly,

Zenith Radio Corporation
Edward A. Twerdahl
Assistant Manager, Export Division.

EAT:IF

Grosser & Glass Ltd.
Prince Albert, Sask.

October 31, 1936.

Zenith Radio Corp.,
3620 Iron St.,
Chicago, Ill.

Dear Sir,

We are very desirous of securing a line of radio and we will appreciate hearing from you as to whether you have a Canadian office or not. If, so, kindly let us know the address.

Thanking you, we remain

Yours very truly,

Grosser & Glass Ltd.,
per N. O. Grosser

G/G.

February 3, 1937.

Mr. Byrant:—

Where are you on the Canadian situation? Why can't we get a Canadian outlet for our stuff?

McDonald

EFM*GP

June 28, 1937

Beasley's
2383 Yonge at Broadway
Toronto, Ontario, Canada

Attention: Mr. G. E. Precious

Gentlemen:

In reply to your kind letter of June 18th, it is a pleasure to send you a copy of our domestic folder covering the new 1938 line of Zenith Radio Receivers. From this folder you will be able to get some idea as to why Zenith has gained supremacy in the radio industry. You will also agree that our prices are very fair, especially considering the very high quality of these radio receivers.

Zenith Radio Receivers have enjoyed by far more acceptance than those of any other radio manufacturer during the past two years or more, and this has been due solely to advanced engineering, durability and performance of the receiver, and the many outstanding new features which have not as yet even been thought of by other manufacturers and which help to keep Zenith "The World's Most Copied Radio"—"Always A Year Ahead".

Because of various restrictions and because manufacturers must have a license to sell radio receivers in Canada, we can only make shipment on a basis of F.O.B. factory Chicago. On this basis we will be happy to allow you a discount of 40% on the prices shown on the above-mentioned price list.

With your order will you be so kind as to send cash to cover the value of the receiver, plus transportation charges? This will expedite matters a great deal and we can assure you of prompt attention to your order. Please do not hesitate to ask any questions that you might have. We are

looking forward to the opportunity of serving you and hope that soon we will be able to number you among the many enthusiastically satisfied Zenith accounts.

Yours very truly,

Zenith Radio Corporation
A. V. Duke
Export Traffic Manager

AVD:IF

(Letterhead of Beasley's, Toronto, Ontario.)

June 18, 1937.

Zenith Radio Corporation,
Chicago, Ill.

Gentlemen:

We would appreciate if you would send us descriptive folders of your 1938 series Radios, together with list and net prices f.o.b. Chicago.

If you are contemplating arranging for Ontario Hydro approval for your receivers, we would be glad to discuss with you the matter of distribution in this city.

Yours very truly,

Geo. E. Precious
Sales Manager

GEPrecious

PG

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1319.

September 1, 1937.

Mr. A. E. Easingwood
Langley Prairie, British Columbia
Canada

Dear Sir:

We have for acknowledgment your letter of August 16th, and are pleased indeed to enclose herewith a service manual covering our 1958 line of receivers.

We are glad to note that you have made arrangements to import Zenith Receivers from the Northwest Hardware Company of Bellingham, Washington, and we wish you much success.

Sincerely yours,

Zenith Radio Corporation
A. V. Duke
Export Traffic Manager.

AVD:IF

(Letterhead of Albert E. Easingwood,
Langley Prairie, B.C.)

August 16th 1937.

Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago, Ill.

Dear Sirs:— Attention of Mr. Edward A. Twerdahl.

Will you be good enough to forward me "Service Notes" on Model Zenith Radio 9-S-262*, and any other Service notes on other Models.

I am pleased to inform you I have made satisfactory arrangements with the Northwest Hardware Co. of Bellingham, Washington, for the importing of your radios here, which is only 20 miles away.

I also wish to state that the Model abovementioned is certainly a wonderful job, and I hope in the near future to be able to sell quite a few. There is nothing in this country that can even compare with Zenith.

It is 15 years since I got my first Zenith which is still operating as efficiently as it was then.

Thanking you, and assuring you I shall do all I can to feature your goods, difficult as it is under present restrictions.

It is too bad you cannot get going in Canada, because I know only too well, you are losing a fabulous amount of money, and so far as I can judge, you have a field all your own. Everybody knows Zenith, because most everybody takes the Saturday Evening Post.

Sincerely

A. E. Easingwood

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1324.

October 15, 1937
Zenith's 23rd Year

Mr. H. Wall
Brunkild, Manitoba
Canada

Dear Mr. Wall:

We have just received your letter of September 6th. In this letter we note that you are considerably perturbed due to the fact that you have not received the set which you ordered. Upon checking our correspondence file, we note that Mr. Duke wrote you on October 12th, informing you that our files do not indicate that your earlier letter was received. Please send us a duplicate of the letter so that we might be guided accordingly.

In the first portion of your letter, you point out that you were given the agency for Zenith Radios. We are anxious to clear up this particular point as this is not exactly the case. When you were in Chicago we pointed out that as long as the present patent conditions exist in your country, it is not possible for us to give you, or anyone else, the agency to market Zenith Radio Receivers. We pointed out the troubles that might occur, and with your knowing full well these conditions, you agreed to purchase Zenith sets and assume full responsibility if the sets were confiscated by the Canadian Patent Pool.

The price on the 7J232, with antenna, will be the same as was charged to you on your invoice of August 19th, namely, $59.47. This price is F.O.B. Chicago. All shipping charges will be for your account.

In the future, we ask that you address your correspondence to the attention of the export department.

Yours very truly,
Zenith Radio Corporation
James F. Weldon
Manager, Export Division

jfw/em

Brunkild, Man., Canada,

Oct. 6, 1937.

Zenith Radio Corporation,
Export Division,
6001 Dickens Ave.,
Chicago, Ill.

To Whom It May Concern.

Dear Sir:

Last summer I purchased a radio as the enclosed invoice indicates. At that time I got in touch with the head manager, Mr. Wellwood (?), and I was given the agency for Zenith radio. At the same time I was advised to write to Mr. A. V. Duke, concerning radios.

I have written twice to Mr. Duke ordering a radio, the last time Sept. 29,—but I did not receive a reply. I do not understand this. My customer is getting quite impatient. Please let me know at once if my customer can expect to get a Zenith radio through me or not. I repeat the order: hold the same type of radio (7J232T with antenna kit) ready to ship to the address I'll give you as soon as I know how much I have to pay for same. Hoping to get a immediate reply, I remain

Yours truly,
H. Wall.

P.S. Please send me a few folders on radios.

H. W.

(Stamp) Zenith ~~Radio~~ and Cross-
Claimants' Exhibit 1241.

December 10, 1937.

Mr. Nathan T. Nemetz
626 West Pender Street
Vancouver, Canada

Dear Mr. Nemetz:

We have your letter of December 6 and regret that it will not be possible for us to negotiate with you for the sale of our radio receivers in Canada.

We are not licensed under the Canadian patent pool and at the moment we are not doing any business in Canada.

Should this situation change you can be sure that we will get in touch with you.

Sincerely,
Paul M. Bryant,
Assistant to the President.

PMB:AS

Nathan T. Nemetz
Barrister and Solicitor
Notary Public
626 West Pender Street
Vancouver, Canada

Dec. 6/37.

The Sales Manager,
Zenith Corporation,
Chicago, Ill.

Dear Sirs:

I am instructed to write you concerning the possibility of obtaining distribution of your radio in the Province of British Columbia.

My clients are prepared to pay cash for a carload of your machines and arrange for future business relations with you by furnishing to you their names, business references and financial standing. Because the radio season is already well advanced and my clients are anxious to start business, I would appreciate an immediate answer.

Of course, your radio would have to be saleable in British Columbia, that is, patented, licensed and conforming in the usual business fashion to and with the Canadian laws and regulations.

If you are interested, you might give your prices, discounts and requirements for a speedy financial arrangement whereby the first carload of radios could be shipped. I might say that my clients intend to establish a distributing corporation here in Vancouver with full coverage throughout the province. They have an organization ready to commence business, they have contacts for the widest distribution, and they are further prepared to enter into any advertising campaign to establish the good name of your radio in this centre.

Would you, therefore, kindly write me air mail as to your observations.

Yours truly,

Nathan T. Nemetz.

NTN/MM

(Written in margin:) Mr. Bryant: What is the latest re Canada.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1328.

March 14, 1938.

Columbia Sales Service, Inc.,
1063 Bleury Street
Montreal, Canada

Attention: Mr. David Rosenbaum

Gentlemen:

We have for acknowledgement your letter of March 11, and in reply, we wish to advise you that at the present time, we do not know how the patent situation in your country will affect the Radio Nurse.

We are now checking on this and should know more definitely regarding this matter within a period of three weeks.

Very sincerely yours,

Zenith Radio Corporation,
A. V. Duke,
Export Traffic Manager.

AVD:LH

(Letterhead of Columbia Sales Service, Inc.,
Montreal, Canada.)

Mar. 11, 1938.

Zenith Radio Corp.,
6001 Dickens Ave.,
Chicago, Ill.

Gentlemen:

We would like to represent your firm in introducing the Radio Nurse into the Canadian market.

How do you stand in regard to the patent situation in this country?

We know that the Radio Trust here keeps Zenith Radio out of Canada.

Would that affect the "Radio Nurse" as well?

Yours truly,

Columbia Sales Service Inc.
Per: David Rosenbaum.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1392.

March 25, 1938.

Mr. W. C. Bailey
460 Giles Blvd. East,
Windsor, Ontario, Canada

Dear Mr. Bailey:

We have for acknowledgement your letter of February 11, and in accordance with your request, we are pleased to enclose herewith a circular covering our latest 1938 line of receivers. From the prices shown, we are pleased to quote you a discount of 25%, and our prices are f.o.b. Chicago, remittance together with the order.

We trust that after you have had an opportunity of looking over this circular, we may have the pleasure of receiving further advices from you. We have been unable to set up any agencies in Canada because of the Patent Pool, but as stated above, we shall be pleased to ship to you direct.

We wish to thank you for your interest in our line, and now await with a great deal of interest your comments.

Very truly yours,

Zenith Radio Corporation,
A. V. Duke,
Export Traffic Manager.

AVD:LH

encl.

460 Giles Blvd. East,
Windsor, Ontario.

February 11, 1938.

Zenith Radio Corporation,
3620 Iron Street,
Chicago, Illinois.

Sirs:

Have you any representative for your Radios in Canada? If not, I would be interested to have your price list and act as your agent here.

Will you quote me prices without the cabinet, so as to lessen the duty and the cabinets could be made up here.

I have bought several of your Radios in Detroit and brought them over here.

Our electric here is twenty-five, (25), cycle.

Yours very truly,

W. C. Bailey.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1329.

March 25, 1938.

Jarvis Electric &
Refrigeration Company
318 Homer Street
Vancouver, B. C., Canada

Gentlemen:

We have for acknowledgement your letter of March 10, and in accordance with your request, we are pleased to enclose herewith a circular covering our latest 1938 line of receivers. From the prices shown, we are pleased to quote you a discount of 25%, and our prices are f.o.b., Chicago remittance together with the order.

We trust that after you have had an opportunity of looking over this circular, we may have the pleasure of receiving further advices from you. We have not been able to set up any agencies in Canada because of the Patent Pool, but as stated above, we would be pleased to ship to you direct.

We wish to thank you for your interest in our line and now await with a great deal of interest your comments.

Sincerely yours,

Zenith Radio Corporation,
A. V. Duke,
Export Traffic Manager.

AVD:LH

encl.

(Letterhead of Jarvis Electric & Refrigeration Co., Vancouver, D. C.)

Mar. 10/38.

Zenith Radio Corporation, Dept. W,
6001 Dickens Ave.,
Chicago, Ill.

Gentlemen:

Following up your display advertisement in the Women's Home Companion of April 1938 issue on the Zenith "Radio Nurse".

After perusing the above ad carefully we immediately felt a favorable reaction. We cannot help but feel that there is a definite place in every home, (especially where there are children) for an alarm of this type.

We should now like to know if you are interested in British Columbia distribution? The Jarvis Electric has been established in business for 28 years. We have a separate direct sales set-up under the name of Jarvis Sales; in addition we have handled national lines under the name of Cale B. Jarvis.

We have made up and are enclosing certain statistical information about this city for you to study and digest.

Our connections are of the best, and we will be pleased to submit both business and banking references if your set-up is of mutual interest. In fact, we offer the names of Mr. A. A. Silberman, National Park-O-Graf Corp'n, 3232 West Chicago Ave., Chicago, and Mr. A. E. Wilson, Gen. Sales Manager, Mills Novelty Co., 3100 Fullerton Ave., Chicago, to substantiate the foregoing statements.

Let us know what your reaction is to this letter and when replying we would appreciate it if you will be as equally frank, thereby keeping all correspondence to a minimum.

Assuring you of our prompt and careful attention to all future correspondence, we are

Yours very truly,

Jarvis Electric & Refrigeration Co.

J. B. Jarvis.

CBJ:G

Greater Vancouver

"The Third City of Canada"

Statistical Summary

Form of Government—Mayor & Council.
Population—360,000.
Area—190.53 Square Miles.
Auto. Registrations—110,000.
Telephones in Service—70,000.
Railroads—5 Systems (3 Terminals).
Steamships—Port of Call for 53 Lines.
Percentage of Homes Owned—64.0.
Per Capita purchasing power—$814.00 (Largest in Canada).
Newspapers—3 Dailies (1 morning, 2 Nights).
Light & Power—1 to 4¢ per K.W.H.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1391.

March 28, 1938.

Mr. W. A. Parkinson
18 Hambly Avenue
Toronto, Ontario,
Canada

Dear Mr. Parkinson:

We have for acknowledgement your letter of March 26, and in reply, we wish to advise you that we would be in a position to quote you a discount of 40% from the list price of $29.95. This quotation on the Radio Nurse is f.o.b., Chicago, remittance together with the order.

No doubt, you know that all radio and radio appliance sales in Canada are controlled by a Patent Pool, and we wish to advise you that we do not have a license on this Pool. We would, therefore, be unable to grant you a franchise, but we would be glad to ship you material you should order from us from time to time.

You would, no doubt, submit the first of these samples you received to the Ontario Hydro Electric Commission for their approval.

We trust that we may now have the pleasure of receiving further remarks from you by return mail, and remain

Sincerely yours,

Zenith Radio Corporation,
A. V. Duke,
Export Traffic Manager.

AVD:LH

18 Hambly Ave.
Toronto, Ont., Canada

March 26/38.

Zenith Radio Corporation
Chicago, Ill., U. S. A.

Attention: A. V. Duke.

Gentlemen:

Thanks for your letter of the 25th March in answer to my inquiry. My purpose in writing was in relation to distribution here. I have had many years experience in merchandising various products and lately resigned as sales manager of a company for the purpose of founding an agency business and can offer you a valuable connection and a thorough understanding of our markets. Will have office and display room ready for occupancy on the 4th prox. if you would consider granting me a sales franchise for the Province of Ontario or wider territory. Am sure that we can produce an amount of business that would be mutually profitable. Please bear in mind the fact that your magazine and radio advertising has wide circulation here and that advantage should be taken of this while the iron is hot. For instance during the period of radio announcements as to the "coming product" I personally heard numerous people discussing the matter and wondering about it all. We have a population in greater Toronto in excess of 800,000 and 65% of Canada's purchasing public are concentrated in Ontario and Quebec, with ⅔ of these in Ontario. If you are interested I will gladly furnish you with further information as to self or give you full details covering sale possibilities, etc.

Our method of operating would be to appoint sales outlets among the retailers in all centers, these to consist of electrical, radio, and department stores, and sell direct-

import orders where possible, carrying only sufficient stock to supply the smaller dealers. This however is only a suggestion as we realize that you with your experience may find it more successful to operate along other lines. We would however appreciate some further word in the matter at your earliest convenience.

Yours truly,

(Illegible)

P. S. All electrical products sold in Ontario, have to be submitted to the Ontario Hydro Electric Commission for approval. There is a graduated fee for this and for the placques to be fastened to each article. A detailed description of your product would be sufficient for submission as to any changes that might have to be made. From my radio experience however I do not believe that any changes would be asked for.

P.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1401.

August 8, 1938

Mr. M. L. Grosser
Grosser & Glass Ltd.,
Prince Albert, Sask.,
Canada

Dear Mr. Grosser:

We have for acknowledgement your letter of July 18, and in accordance with your request, we are pleased to enclose herewith a circular covering our latest automobile radios. From the prices shown, we are pleased to quote you a discount of 25%—these prices are f.o.b. factory remittance together with the order.

We trust that after you have had an opportunity of looking over this circular, we may have the pleasure of receiving further advices from you, inasmuch as we do not have, at the present time, a distributor in Canada—this is due to the fact that we do not have a license in the Canadian Patent Pool.

We wish to thank you for your interest in our line, and now await with a great deal of interest your comments.

Very truly yours,

Zenith Radio Corporation
A. V. Duke
Export Division

AVD:LH

(Letterhead of Grosser & Glass Ltd., Prince Albert, Sask.)

July 18, 1938.

Zenith Radio Corp.,
3620 Iron Street,
Chicago, Ill.

Dear Sir,

We would appreciate very much receiving distributor's prices on your car radios.

Thanking you, we remain

Yours very truly,

Grosser & Glass Ltd.,
per N. L. Grosser

G/G.

(Stamp), Zenith-Rauland Cross-Claimants' Exhibit 1412.

September 15, 1938

Mr. Jack Becker
Dominion Hardware Store,
Oakville, Ontario, Canada

Dear Mr. Becker:

We have for acknowledgement your letter of September 9, and in accordance with your request, we are pleased to enclose herewith a circular covering our latest 1939 line of receivers. From the prices shown, we are pleased to quote you a discount of 25%, and our prices are F.O.B. factory remittance together with the order.

We trust that after you have had an opportunity of looking over this circular, we may have the pleasure of receiving further advices from you, inasmuch as we do not have, at the present time, a distributor in Canada due to the fact that we do not have a license to sell radios in Canada.

We wish to thank you for your interest in our line, and now await with a great deal of interest your comments.

Very truly yours,

Zenith Radio Corporation
A. V. Duke
Export Division

AVD:LH
encl.
domestic circular with prices.

(Letterhead of Dominion Hardware Store,
Oakville, Ontario.)

Sept. 9, 1938.

Zenith Radio Corp.,
6001 W. Dickens Ave.,
Chicago, Ill.

Dear Sirs:

On a recent visit to Chicago I noticed your radios on display. We have sold radio for a number of years and your line interests me.

If you would kindly mail catalogue and prices I would appreciate it very much.

Dominion Hardware Store
Oakville—Ontario
Phone 334
Jack Becker

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1333.

September 20, 1938.

Manufacturers' Sales Company
862 Cambie Street
Vancouver, B. C.

Attention Mr. J. E. Munro

Gentlemen:

We thank you for your letter of September 14, wherein you made inquiry regarding the possibility of representing the Zenith Radio Corporation in Western Canada.

For the reasons enumerated in the second paragraph of your letter, we have found it impossible to secure permanent representation in your country. There are many de-

tails regarding patent pool modification, and similar matters with which you are undoubtedly familiar, that will have to be taken care of before we can make a concrete plan for distribution in Canada.

Should you have any concrete ideas as to how importations into Canada could be made under the presently existing obstacles, we would be very glad to have your further reply.

In the meanwhile, should you be unable to give any suggestions to overcome these obstacles, we shall keep your letter on file until such time as it is possible for us to engage in an intelligent Canadian sales plan.

We deeply appreciate your having written us, and hope that some time during the early Fall a modification of the existing conditions will be brought about.

Thanking you for your interest, we are

Very truly yours,

Zenith Radio Corporation

STT:S S. T. Thompson

(Letterhead of Manufacturers' Sales Company, Vancouver, B. C.)

Zenith Radio Corporation, September 14, 1938
6001 Dickens Avenue,
Chicago, Illinois.

Attention Sales Manager.

Dear Sirs:

We should like to discuss with you the possibility of representing you for the sale of Zenith Radios in Western Canada.

We are of course, quite aware that there are obstacles to the sale of American made receiving sets in Canada at the present time but we look forward to some radical changes

being made by the Canadian Government in the matter of lifting certain restrictions which are now in force.

As our organization is equipped to give complete coverage to the trade in Western Canada, we know we can give you first class representation.

Please let us hear from you in this connection.

Yours faithfully,

Manufacturers' Sales. Co.

J. E. Munro/Y. H. J. E. Munro

(Stamp) Zenith-Rauland Cross-
Claimants' Exhibit 1334.

December 31, 1938

Mr. E. M. Bassingthwaighte
153 George Street
Belleville, Ont., Canada.

Dear Mr. Bassingthwaighte:

We acknowledge receipt of your letter of December 21 addressed to Commander McDonald.

At the present time we have no definite plans for entering Canada. As you know, the patent pool has a very definite control over the manufacture of radio products in the Dominion.

Should the situation change, we will be very glad to communicate with you and have a discussion on the subject. As of the moment the only thing we can do is keep your letter on file for future reference.

We appreciate your having written to us.

Yours very truly,

Zenith Radio Corporation

STT/S S. T. Thompson

Rasmussen

153 George St.
Belleville, Ont.

12-12-38.

Commdr. MacDonald,
President,
Zenith Corpn.
Chicago.

Dear Sir.—

I was advised recently that Zenith will shortly be operating in Canada and am interested in the possibilities of putting my services at your disposal.

Present Position—Sales Manager, Radio Division Stewart-Warner Alemite Corpn. of Can. Ltd.

Length of Service—5 years.

Results—Stewart-Warner has progressed from being a "tail-ender" to about fifth or sixth position in the industry in Canada.

Total sales this year—17000 units. Total sales 1937—20000 units.

Previous Positions—from 1925 to 1933 went from field man to General Sales Eng. with De Forest Crosley. Instituted many policies which made them outstandingly successful. Left as result of re-organization occasioned by losses of subsidiaries over which writer had no control.

Previous History—Graduate by Osgoode Hall Law School 1922. Four years overseas as Lieutenant in British navy 1915-9. Two years practicing law.

Present Condition—Physically fit, age 42. Married, two children.

Reasons for Change—Knowing Stewart-Warner as you do, you will appreciate that the good progress we have made

in Canada has not been without difficulty. They are suffering from lack of vision and aggressiveness in their attack on the radio market, and a narrow, petty method of handling the details of radio business. When I joined them in 1934, I had to set-up a complete new division and a distributor organization as well. The then General Manager, after many battles, became fairly conversant with plans and was really becoming enthusiastic about the radio business. After his death ten months ago, the factory superintendent was put in charge and we have found ourselves completely incompatible. I am still in charge of sales and could go on indefinitely but do not believe I can make substantial progress under the present management.

As sales manager first of ..... De Forest Crosley and since then of Stewart-Warner I know the Canadian market thoroughly and am acquainted with every important radio Dealer from coast-to-coast.

The progress your Company has made in the States the last few years assures me that you have the right attitude to the radio market and that I could do a real job for you in this country. I am sure that a strong distributing organization could be set-up very rapidly.

If interested, I would be glad to interview you in Chicago after the holiday season.

Yours very truly,

E. M. Bassingthwaighte

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1406.

February 21, 1939

Park Avenue Furniture Store,
4587 Joanne Manco Street,
Montreal, Canada

Gentlemen:

We have for acknowledgment your letter of February 15, and in accordance with your request, we are pleased to enclose herewith circular covering our line of receivers, also price list and wish to advise you that we will allow a discount of 5%, F.O.B. Chicago, remittance together with the order.

We do not have a distributor in Canada at the present time, due to the fact that we are not a member of the Canadian Patent Pool. Therefore, we are in a position to make shipment direct to you if you wish us to do so.

Yours very truly,

Zenith Radio Corporation
A. V. Duke
Export Division

AVD:LH

domestic export price list and export folder

(Letterhead of Park Avenue Furniture Store, Montreal.)

Feb. 15, 1939

Zenith Radio Corp.,
Chicago, Ill.

Dear Sirs:

Will you kindly forward us one of your catalogues and price lists as we are interested in importing some Radios into Canada.

Awaiting your favorable reply. We remain,

Yours truly,

Park Ave. Furniture Store
Hyman Solloway

HS:GS

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1397.

February 22, 1939.

Cherniak & Company, Ltd.,
129 Sandwich Street, E.,
Windsor, Ontario, Canada

Gentlemen:

We have for acknowledgment your recent inquiry, and in accordance with your request, we are pleased to enclose herewith circular covering our line of receivers, also price list.

From this price list, we allow you a discount of 5%, F.O.B. Chicago, remittance together with the order.

Inasmuch as we are not a member of the Canadian Patent Pool, we do not have a distributor there and will be glad to make shipment direct to you if you desire to purchase a receiver.

Yours very truly,

Zenith Radio Corporation
A. V. Duke
Export Division

AVD:LH

From
Cherniak & Co.,
129 Sandwich St. E.,
Windsor, Ont.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1416.

March 1, 1939.

Mr. D. E. Allen,
2074 Queen Street,
East Toronto, Canada

Dear Mr. Allen:

We have for acknowledgment your letter of February 18, and in accordance with your request, we are pleased to enclose herewith circular covering our line of receivers and also a half-tone print of the model 6D315. From the prices shown on the enclosed price list, we will be pleased to offer you a discount of 5%. These prices are subject to remittance together with the order, F.O.B. Chicago.

We do not have any exclusive representation in Canada at the present time due to the fact we do not have membership in the Canadian Patent Pool. If you should wish, however, to order some receivers, we will be glad to make shipment to you.

Yours very truly,

Zenith Radio Corporation
A. V. Duke
Export Division

AVD:LH

export folder
half-tone print of 6D315
export domestic price list.

(Letterhead of Fisher's Hotels.)

Feb. 18/39.

Weldon
Zenith Radio Corp.
6001 Dickens Ave.
Chicago.

Dear Sirs—

Are you interested in securing a sales representative for Canada?

The Jan. issue of "Hotel Bulletin" announces your Hotel Zenith Universal radio, which should have a profitable demand here.

I shall be pleased to receive full details as to prices so that I can go into the matter of duty and laid in prices as compared to domestic lines.

Full information together with best sales plan would be appreciated.

Yours truly.

D. E. Allen.
2074 Queen St. East Toronto, Can.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1398.

July 6, 1939.

Norton Motors
Acton, Ontario,
Canada

Attention Mr. Howard Norton

Gentlemen:

We have for acknowledgment your inquiry of July 3, and we are pleased to enclose herewith our circular and price list covering our line of radio receivers.

We are sorry to advise you that we are not a member of the Canadian Patent Pool, therefore, we are not in a position to offer you any specific territory. We are willing, however, to ship you such receivers that you might order. From the attached price list, we will allow you a discount of 5%, remittance together with the order, F.O.B. Chicago. We trust that after you have had an opportunity of looking over this material, we may have the pleasure of receiving further remarks from you.

The unit will operate satisfactorily in your car without plug suppressors. It will operate only on 110 volt, 60 cycles and will not operate on 25 cycles.

Yours very truly,

Zenith Radio Corporation
A. V. Duke
Export Division

AVD:LH

Price List 1940—D-1—4/7/39
1940—D-2—6/12/39

(Letterhead of Norton Motors, Acton, Ontario, Canada.)

July 3, 1939.

Zenith Radio Co.,
Chicago U.S.A.

Gentlemen,

We are interested in securing the franchise for your radios in our town.

Please let us know if this territory is open and if so send us your confidential dealer price-lists. We are particularly interested in the portable model advertised in the Sat. Ev'g Post of July 1. Will this operate satisfactorily in a car without plug suppressors? Will it operate on 110 volt 25 cycle current? What is dealer cost and retail price of battery pack for this set?

Send American prices as we anticipate taking delivery of all radios while in the U.S.

Yours truly

Howard Norton

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1417. August 8, 1939.

National Marketing Service,
279 Victoria Street,
Toronto, Ont., Canada

Attention Mr. J. J. Marshall

Gentlemen:

This will acknowledge receipt of your letter of July 22, and in accordance with your request, we are pleased to enclose herewith price list and circular covering our line of receivers. From this price list, we are pleased to quote

you a discount of 5%, deliveries made F.O.B. Chicago, against remittance together with the order.

We sincerely hope that after you have had an opportunity of looking over this material, we may have the pleasure of receiving an order from you.

We do not have exclusive representation in Canada due to the Patent Pool which you no doubt know all about. We are glad, however, to make shipments to any one who desires to order direct from us.

Sincerely yours,
Zenith Radio Corporation
A. V. Duke
Export Division

AVD:LH
domestic price list #1940-/D-3
1-tone circular

(Letterhead of National Marketing Service,
Toronto, Canada.)

July 22, 1939.

Zenith Radio Corporation,
Premium Division,
Chicago, Ill.,
U. S. A.

Gentlemen:

The writer, while in charge of the Radio Department of the Hudson Bay Company some years ago, was instrumental in handling a considerable number of Zenith Radios and experience with this line created a lasting impression and one of which you can be rightfully proud.

We are now, as you will see from our stationery, in the Sales Promotion Advertising Business with an established clientelle and with a considerable turn over on all lines we carry.

We are at this time on the look out for an outstanding portable radio and your advertisements in Premium Practice are very encouraging. We would appreciate it if you would send us your complete catalogue with prices on your complete 1940 line in both portable and mantel sets.

Yours sincerely,
National Marketing Service
J. J. Marshall

JJM/ER

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1250.

August 8, 1939.

Coast Distributors Limited
1142 Homer Street,
Vancouver, B. C. Canada

Attention Mr. C. B. McAllister

Gentlemen:

We have for acknowledgement you letter of July 31, and we are indeed sorry to note that you were unable to take the model 5G401 portable receiver on your holiday trip.

We note your remarks regarding many persons who would like to purchase Zenith radios and we would be pleased to cooperate with you on each individual order. Inasmuch as the Patent Pool prevents us from establishing an exclusive distributor in Canda, we will be glad to make individual shipments for you.

In accordance with your request we are sending you under separate covering our line of receivers.

Zenith Radio Corporation,
A. V. Duke
Export Division

AVD:LH

(Leterhead of Coast Distributors Limited, Vancouver, B. C.)

Zenith Radio Corp., July 31st 1939.
6001 Dickens Ave.,
Chicago, Ill.

Attention Mr. G. E. Mills.

Gentlemen:

Yours of the 28th instant to hand.

Please be advised that the writer picked up Model 5G401 Portable Radio on return trip from holiday on Oregon Coast.

Unfortunately shipment was delayed and we were unable to have this splendid job with us on our holiday, since same was shipped C. O. D., and as there was no Agency for Express Co. at Depoe Bay, Oregon, it had to await our return to Seattle.

It is a very fine job and we only wish we could import same for sale here. We still hope that the Patent Pool in Canada will be broken up. Same is still under investigation by Federal Authorities. We will assuredly be interested in your line as soon as it is possible to again import.

Please convey the writers regards to Mr. MacDonald.

We have a great many persons who ask us what set to buy while visiting in U. S. A. We could sell your sets to them for delivery at Seattle Hotels. Please advise if you would co-operate with us. We could sell them at Retail and absorb the Express to Seattle. We would like about 200 all line folders. We are

Yours very truly,
Coast Distributors Ltd.
Per C. B. McAllister.

CBM/BF

P.S. Please send us engineering data sheet on above receiver.

(Stamp) Zenith Rauland Cross-
Claimants' Exhibit 1340.

November 30, 1939.

Mr. George M. Droneck
R. R. #2,
Vernon, B. C. Canada

Dear Sir:

We have for acknowledgement your letter of November 25, and in reply, we are sorry to advise you that we do not have any representation in Canada due to the fact that we do not belong to the Canadian Patent Pool.

However, we will be pleased to make shipment to you direct and so that you may become familiar with our line, we are enclosing herewith circulars and price list covering same. From the attached price list, we are pleased to quote you a discount of 5%—delivery F. O. B. factory, Chicago—remittance together with the order.

We trust that after you have had an opportunity of looking over this material, we may have the pleasure of receiving an order from you.

Very truly yours,

Zenith Radio Corporation,
A. V. Duke,
Export Division

AVD:LH

domestic circular
export circular
1940-D-5 price list

R. R. #2,
Vernon B. C. Canada,

Nov. 25, 1939.

Zenith Radio Corp.,
Chicago, Ill.,

Dear Sirs:

Please forward by return mail, any literature dealing with your line of radios. Especially the portable model. Canadian Dealer.

Thanking you in advance, I remain,

Very truly yours,

Geo. M. Droneck.

(Stamp) Zenith-Rauland Cross-
Claimants' Exhibit 1419.

November 30, 1939.

Air Electric Distributors,
219 Phoenix Blk.
Notre Dame & Donald St.,
Winnipeg, Canada

Gentlemen:

We have for acknowledgment your letter of November 27, and in reply, wish to advise you that we do not have an exclusive distributor in Canada due to the fact that we are not members of the Canadian Patent Pool.

We are enclosing herewith circulars showing the line of receivers.

We cannot give you exclusive representation but we will be glad to make shipment direct to you.

You will note that we do not have, at the present time, any 32-volt receivers. However, we do have 6-volt sets.

We trust that after you have had an opportunity of looking over this material, we may have the pleasure of serving you.

Yours very truly,
Zenith Radio Corporation,
A. V. Duke,
Export Division.

AVD:LH

domestic circular
export circular

(Letterhead of Air Electric Distributors, Winnipeg.)

November 27th, -39.

Zenith Radio Corp.
6001 West Dickens St.,
Chicago, Ill.,

Dear Sirs:

Would you kindly give the writer the address of your agent in Manitoba and Saskatchewan. If however you are not represented in this territory and are willing to grant a franchise on distributors basis we would appreciate your consideration.

We feel that a great field is opening up in this district for 32 volt radios and believe they could be carried with excellent results in conjunction with the lines we are already selling.

Trusting we will hear from you in the very near future, and thanking you in advance for your attention in this matter, we are,

Very truly yours,
Air Electric Distributors,
Per M. G. Wilton.

MGW

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1267.

September 30, 1940.

Mr. Thompson:

As you know, we have just gone in for a real national advertising campaign.

Note the circulation of these magazines in foreign countries where we have had no circulation heretofore on national advertising.

While it is true that 613,000 of these are wasted in Canada, yet the circulation is large in other sections and we should do something to corral that Canadian business.

McDonald.

EFM:clh

CIRCULATION IN FOREIGN COUNTRIES.

Magazine	U. S. Possessions	Canada and Newfoundland	Cuba & West Indies	Africa	Oceana	Mexico & Central America	South America	Europe	Asia	Misc. Foreign	Foreign Totals	Entire Total Circulation
New Yorker	1005	2493	387	212	150	159	423	3407	410		8646	151764
American Home	7327	54081	1385	52	1859	381	2048	1035	373		68595	1831779
Colliers	——	268	1353	118	60	824	2672	1832	288		7915	2882506
Sunset	1025	357	——	——	——	——	——	72	——		1454	238974
Cosmopolitan	7438	43420	1660	159	1066	1174	2044	3379	3282		63622	1871971
Better Homes and Gardens	3380	29424	206	29	61	155	246	596	211		34308	2026184
The American	8415	62498	1026	315	492	1227	1969	1742	668		78362	2279860
Time	331[illegible]	13354	2619	666	299	3541	3363	4299	2514		34573	773268
Red Book	8445	64394	796	100	1953	1201	1814	885	487		80075	1256304
Esquire	683	15644	1213	582	4173	1326	2174	10835	1238		37868	471007
Life	16631	85625	3140	889	2653	3131	5533	5906	1450		124958	2851878
Liberty	12483	195831	——	——	——	——	——	——	——	2112	210426	2322260
Sat. Even. Post	16894	920	1580	1503	15466	2023	4283	8712	1061		52442	3129168
National Geographic	7564	44985	3624	8660	26725	3342	9321	81935	6495		192651	1100222
Totals	94668	613294	18989	13285	55551	18494	35890	124635	18477	2112	995395	23193145

(Matter handwritten in margin is illegible.)

Memorandum.

Re: Sale of Zenith Radios in Canada.

At a conference attended by Commander McDonald, Hugh Robertson, G. E. Gustafson, John Howland and myself on Friday, November 23d, it was agreed after a thorough discussion of all phases of the problem that Zenith Radio Corporation would not at this time engage or attempt to engage in either the manufacture or sale of radio apparatus in Canada. This conclusion was based upon the many difficulties and objections from a legalistic and patent point of view which seem to make it impossible for the corporation or its Canadian subsidiary to enter upon any Canadian operations.

The only basis on which sales could be made in Canada seems to be to have the Canadian subsidiary employ Canadian Marconi or some other organization to manufacture sets in Canada which, in turn, would be sold by Zenith Radio Corporation of Canada, Ltd. Commander McDonald said he would not approve of that action, and of course there would not be any sufficient margin of profit in it to enable the Canadian subsidiary to function.

Consideration was given to the direct sale by mail from the United States, but as it developed during the conference that purchasers in Canada would be subject to attack for infringement of Canadian patents even though the parent company might have a license, it was decided to abandon that idea. Any license from the Canadian Patent Pool would be limited to the manufacture and sale of radios in Canada.

As a result of the conference, the entire matter has now been tabled, at least for the time being, except, of course, that Canadian Marconi will build a few sets under its

own name on Zenith's design to be sold to Ford of Canada and to Hudson. This matter is covered by letter agreements between Zenith and Marconi.
11-24-45

I. H.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1275.

(Form of Western Union Telegram.)

8-8-51

Montebello Electric
Montebello Quebec
Canada

Re Your Tel We Are Not Yet Licensed By Canadian Patents Pool Therefore Are Not Represented In Canada.

ZenithRad.

bmpc/h

(Form of Western Union Telegram.)

Tnx Wu Q070 9-Cpr Montebello Que Aug 8 1951 1240 P-Zenith Radio Corp-

Please Wire Name And Address Of Your Canadian Distributor—Montebello Electric-1223P.

(Handwritten) Miss P. Reply by telegram we have none in Canada—Not licensed by Patents Pool.

(Stamp) Zenith-Rauland Cross-

Claimants' Exhibit 1432.

August 21, 1951.

North Shore Electrical Distributors Lmtd.
181 A Charlotte Street
Peterborough, Ontario Canada

Attention: Mr. V. A. Nolan

Gentlemen:

We thank you for your letter of August 13, in which you express interest in becoming distributor for Zenith products for the Province of Ontario.

We are not established or licensed yet to sell our radio products in Canada. We hope eventually to enter the Canadian market, and when our plans to this end begin to materialize, we shall be glad to give further consideration to the appointment of distributors.

In the meantime, we thank you for your interest in Zenith.

Your very truly,

L. S. Fischer,
International Division.

LSF:mp
Air Mail
612.2

(Letterhead of North Shore Electrical Distributors Limited, Peterborough, Ontario, Canada.)

(Written in margin.) Fischer: We are not established as licensed yet to sell our radio products in Canada.

August 13, 1951.

Zenith Radio Corporation,
6001 West Dickens Ave.,
Chicago 39, Ill.,
U. S. A.

Dear Sirs:

Our company is engaged in the wholesale distribution of Home Appliances in the Province of Ontario Canada. We have an adequate sales force covering this extensive area which has a population of approximately five million people, and we are searching for the better type of merchandise with which to supply our dealers.

If you are not currently represented by a distributing organization in Ontario, would you please give consideration to our appointment as your representatives in ths area. If our suggestion meets with your approval, would you please send us details of the products you have available, dealers price and discounts, and advise of any Federal regulations influencing the export of your merchandise to this country. A representative of this company can be made available for discussion if you are interested.

Please contact the Royal Bank of Canada Peterborough Ontario for financial references.

Yours truly,
North Shore Electrical Distributors Ltd.
V. A. Nolan.

VAN/MS

(Form of Western Union Telegram.)

8-31-51.

B Tomas
Box 76
Batawa Ontario
Canada

Retel 31st No Record Receiving Yourlet July 23rd. Regret We Have No Sales Or Distribution Arrangements in Canada. Our Radios Unlicensed By Canadian Patents Pool. If You Can Import And Send Covering Us Dollars Offer Our Super Transoceanic With Battery $130 FOB Border Point.

International Division
Zenith Radio Corp.

JAM/b

(Form of Western Union Telegram.)

Aug 31 1951

Wu V04533/29 Dl 5 Extra-Clt Batawa One Aug 31 1951
938A- The President Zenith Radio Corp-

Belet July 23 Would Appreciate Detailed Information Where in Canada Available New Zenith Super Transoceanic Portable Set With Fourway Reception Stop Thanks For Immediate Attention-

B Tomas Box 76 Batawa Ontario- 1048A
Tomas 76 . . RV045 Pcf Tks.

January 25, 1952.

The George Taylor Hardware Ltd.
Timmins, Ontario, Canada

Attention: Mr. J. L. Fulton, Mgr.

Gentlemen:

Thank you for your letter of January 18, dealing with the interest which exists in the Canadian North in our Super Trans-Oceanic portable.

The fact is that we are not as yet established or licensed in Canada, and for this reason we are not in a position to offer our products for resale in your country. We hope to become established in Canada in the foreseeable future; however, in the meantime we can only suggest the possibility of individual purchases at retail which may be made by persons who pay a visit to the United States from Canada.

Enclosed please find some illustrated literature on the Super Trans-Oceanic. The instrument is offered at retail in the United States at $124.25. The price of dry battery type Z-985, model H500 battery complement is $6.25.

Thank you very much for the interest which you have taken.

Yours very truly,

L. S. Fischer,
International Division.

LSF/ms

Encl.

Air-Mail

(Letterhead of George Taylor Hardware Limited, Timmins, Ont.)

Jan. 18, 1952.

Zenith Radio Corporation,
Chicago, Illinois,
U. S. A.

Gentlemen:

We are being continually asked about your world wide Portable All Wave Radio which sells for somewhere about $125.00 in U. S. A.

Is there not someway we could purchase these machines from you, even on a dealer basis which would be some relief as the demand is from lumber companies, pulp and paper companies and trappers in the far north. They require them and do not know where to secure them.

We are writing—not from a profit angle—but more for a service we wish to perform.

Yours very truly,

The Geo. Taylor Hardware Limited
J. L. Fulton
Manager

JLF:al

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1358

March 9, 1952.

Mr. Trevor F. Peck, President,
Trevor Peck Co. Limited,
1498 Sherbrooke St. W,
Montreal 25, Que., Canada.

Dear Sir:

We acknowledge receipt of your letter of February 24th, in reference to instruments of our manufacture for distribution in Canada.

Please be advised that it is not that we do not want a distributor in Canada, but that we are not presently licensed by the Canadian Radio Patent Pool to have distributors in Canada due to the fact that we do not, at present, have a manufacturing concern in your country. We are, however, working on such an arrangement, which we trust will be ready within the next few months, and as soon as we are able to sell to your good selves, you may rest assured that you will be promptly notified accordingly, and at the same time catalogues and price lists will be sent to your good selves.

Trusting that this fully answers your letter and thanking you very much for the evident interest you have shown in the products of our manufacture, we are

Yours very truly,

Raul Gonzalez
International Division

RG:cb

(Letterhead of Trevor Peck Co. Limited, Montreal 25.)

February 24, 1953

Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, Ill. U. S. A.

Attention: Mr. Raul Gonzalez,

Dear Mr. Gonzalez,

We have your letter of December 18th to Mr. Walter Cottingham of this company.

We respect your policy of not desiring a Canadian Distributor at the present time. However, we are a retail store that sells to the people who want the best. We handle "DuMont" which is now made in Canada. We import some Capehart products and we put out our own line of photographs. Many requests came our way for the Zenith Trans-Oceanic, and although we could not promise any terrific volume, we could sell quite a few of them. This certainly would not hurt your dealers in the U. S., and it could not help but enhance your name in Montreal. Our service department has made a name for themselves servicing your products and on more than one occasion we have imported parts and batteries for your sets.

We believe you put out the best portable radio in the country and we would like to order them in quantities of six, cash before delivery.

We would appreciate hearing from you if any satisfactory arrangements could be made.

Cordially yours,

Trevor Peck Company Limited,
Trevor F. Peck, President.

TFP/ms

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1347.

March 11, 1952

(Dictated 3-7-52)

W. H. Cardozo Furniture Company,
Fifth Street at First Avenue North
Minneapolis 3, Minnesota
Att: Mr. R. Golden:

Gentlemen:

Mr. Bonfig has referred to me your letter of February 26 in which you enquire about the possibilities of a Zenith distributorship in Winnipeg.

Our situation in Canada may be summed up by saying that distribution and manufacturing wise we are not set up in that country. For several months now we have been exploring the best possible way which Zenith can enter into the Canadian market. Any radio or television manufacturer cannot simply go into Canada on the basis of the manufacturer exporting the complete products. This is more or less restricted or virtually prohibited by the Canadian Radio Patents Pool, which is very strong in Canada. This Pool will not license any American radio and television manufacturer to go into Canada unless they are either already established locally manufacturing wise, or there is intent to set up local manufacturing facilities within a reasonable time—say 90 to 100-days. For this reason we do not have any license from the Canadian Radio Patents Pool, and we cannot apply for same until our management has decided that we will go into Canada to manufacture Zenith radio and television products on the same basis that a few of our competitors have already done.

Our entry into the Canadian market on a broad long-

term commercial basis depends on decision by our management and Board of Directors, as such a step will mean capital investment. Thus, we are not in a position as yet to discuss or negotiate, either with your goodselves or with anybody else, insofar as eventual regional distributorship in Canada is concerned. However, as soon as these preliminary steps have been definitely resolved, in addition to the setting-up of actual manufacturing facilities, we shall start tackling then the next vital problem which will be distribution for all, or regions of, Canada.

We appreciate very much your writing to us, and the good things you have said about our Zenith products. As soon as a definite resolution is reached by our management we shall be glad to communicate with you again.

Very truly yours,

J. A. Miguel, Jr/b

(Letterhead of W. N. Cardozo Furniture Company,
Minneapolis 3, Minnesota.)

February 26, 1952.

Zenith Corporation
6001 Dickens Ave.
Chicago 39, Illinois

Attention H. D. Bonfig.

Gentlemen:

Please excuse my clumsiness in presenting this situation but for many years I have been the buyer of appliances with the Cardozo Furniture Company of Minneapolis and have enjoyed selling the Zenith televisions and radios and fully appreciate their quality, styling, performance, and factory policies.

Now to get to the meat of this letter. I have just been advised that in the very near future, within a year, television will be introduced, through government facilities, in Winnipeg and western Canada. The jest of my entire hope is what the availability would be for a distributorship in this particular locality for the Zenith product. I am fully knowledged on the necessaries of a distributorship and have at my disposal enough capital to take on a project such as this.

I would like very much to have your comments, either encouraging or discouraging, with reference to the above. It would be greatly appreciated.

Yours very truly,

W. N. Cardozo Furniture Co.,
R. Golden.

RG:sj

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1348.

(Letterhead of Hobbs Hardware Co. Limited, London, Canada.)

July 4, 1952.

Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, Ill., U. S. A.

Attention: Mr. J. A. Miguel, Jr.

Gentlemen:

We thank you for your letter of July 1st, and if you will keep us in mind we are still very much interested in discussing with you the distribution of your products when you have made a decision relative to the Canadian market.

Thanking you for your kind consideration.

Very truly yours,

Hobbs Hardware Co. Limited,
K. S. Murray,
Managing Director.

KSM•ba

July 1, 1952.

Hobbs Hardware Co., Ltd.
London, Canada

Att: Mr. K. S. Murray, Managing Director.

Gentlemen:

Receipt is acknowledged with thanks of your letter of June 20.

The matter is still under consideration by our management and Board of Directors. We are not in a position at this time to make any commitments with respect to the distribution of our products throughout Canada on a national or regional basis until it is definitely decided that we will actively enter into that market.

Our products are not yet licensed by the Canadian Radio Patents Pool as licenses are given out only where the licensee is locally established in Canada manufacturing wise. In view of this problem we are not in a position to export our products for resale in Canada, so that a sales or distribution arrangement based on imports of our American sets is not even possible at this time. It is hoped that we shall be able to tell you something more definite within the next 2 or 3-months.

Very truly yours,

J. A. Miguel, Jr./b

Air-Mail

(Letterhead of Hobbs Hardware Co. Limited,
London, Canada.)

June 20, 1952.

Zenith Radio Company,
International Division,
6001 Dickens Avenue,
Chicago 39, Illinois, U. S. A.

Gentlemen:

In January, 1951 you wrote us about the possibility of our Company being considered as a distributor of your product, should you enter the Canadian market.

It is fully realized the manufacturing difficulties under which you are now operating, and we are inquiring to see if a decision has been made on the Western Ontario market.

Several of our dealers have been inquiring about the possibility of getting your radio and television receivers, hence the purpose of this letter.

Thanking you for your kind consideration.

Yours very truly,

Hobbs Hardware Co., Limited,
K. S. Murray,
Managing Director.

KSM*bs

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1352.

September 26, 1952.

Manning Equipment Limited
Halifax, Canada

Att: Mr. W. G. Morris, Sales Manager.

Gentlemen:

We acknowledge with thanks receipt of your letter dated September 16, expressing interest in handling the distribution of our products for the Maritime Provinces.

It is true that we have been exploring the possibilities of producing our radio and television sets in Canada, but, so far, this matter is still up for decision by our Board of Directors. Until this local manufacturing matter is settled, which is the only way of entering the Canadian market, we are, of course, not establishing any distributorship arrangements, nor making any commitments in this regard, for any or all of Canada. You understand, naturally, that without local production facilities we cannot get into that market as the Canadian Radio Patents Pool will not grant licenses to anyone unless the licensee has local manufacturing facilities in Canada. Therefore, any arrangement in Canada based on importation of the American radio or television set is very definitely out of the question.

In the circumstances, we, therefore, regret that we are not in a position to entertain your kind offer. However, we will keep your solicitation in our file for reference later on when it is finally decided that we will enter into the Canadian market manufacturing and distribution wise.

Again thanking you for writing to us, and for your interest in our Zenith products, we are

Very truly yours,

J. A. Miguel, Jr./b

Air-Mail

(Letterhead of Manning Equipment Limited,
Halifax, Canada.)

September 16th, 1952.

Zenith Radio Corporation,
6001 Dickson Ave.,
Chicago, Illinois.

Gentlemen:—

We have heard persistent rumors of your intention of opening a factory in Canada for the production of radios and television receivers.

If this is correct, we would be very interested in acting as your distributors for the Maritime Provinces.

Our business is entirely wholesale and a member of the Canadian Electrical Distributors Association. The territory we cover are the provinces of Nova Scotia, New Brunswick and Prince Edward Island regularly by our own field salesmen, twelve months of the year. We also sell to a limited extent, to Newfoundland. We do not, at present, regularly cover that province but expect to be in a position to do so shortly.

For credit refernces, we refer you to the Bank of Nova Scotia, Halifax, Nova Scotia, Dunn & Bradstreets and the Canadian Electrical Distributors Association.

We have been distributing Stromberg-Carlson radios in the Maritime Provinces for the past few years and as you have probably heard, this Company has decided to drop out of the radio and TV field in Canada.

If our proposal is of interest to you, we would appreciate it if you would be good enough to send a general outline regarding price lists, our cost, etc., by letter.

Yours very truly,
Manning Equipment Limited,
W. G. Morris,
Sales Manager.

WGM/p

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1344.

January 13, 1953.

Atlas International Agency,
C. P. 5, Haute-Ville
Levis, P. Q., Canada.

Gentlemen:

We acknowledge receipt of your letter, wherein you express your interest in distributing the merchandise of our manufacture.

Please be advised that inasmuch as you need no import license and there are no exchange restrictions in Canada, there is still a patent pool to contend with, which is our problem and for that very reason we are not yet prepared to enter into a distributorship in Canada. However, your letter will be held in abeyance and immediately upon any changes that may occur, you will be promptly notified, and catalogues and price lists will be sent to you at that time.

Thank you, nevertheless, for the intrest you have shown in the goods of our manufacture.

Yours sincerely,

Raul Gonzales,
International Division.

RG:cb

(Letterhead of Atlas International Agency, C. P. 5, Haute-Ville, Levis, P. Q., Canada.)

December 30, 1952.

Zenith Radio Corp.,
Chicago 30, Illinois, U. S. A.

Gentlemen,

We have just received today, a letter from your head office in Canada, in which it is writed that, they handle only the hearing aids apparatus made by your company and they cannot supply us with any type of receiver.

It is know to us that a manufacturer cannot market in Canada, a receiver unless it is made in Canada, but, he can export to dealers in Canada, any receiver for resale purposes.

We have checked the customs office here and they have answered that we can import for resale any television or other type of receiver as long we pay the 20%, 10% and 15% sales taxes and customs and excise tax.

All taxes and customs are charges one after the other, for this reason, end product is quite higher in cost than in Canada, thus if a merchandise cost $100, and is subject to 20% customs duty, the new price is 120, to that the 10% sales tax is added to bring the price to 132, and to add a final touch the 15% excise tax is added and the price is placed on the $152. bracket.

Many prospectors, farmers and isolated persons need a powerful portable receiver such as your transoceanic and similar receivers, thus with our mail order serivce it would be possible for us to reach many prospects.

Here we have installed many american and canadian made television receivers but performance is relatively poor

much of the time. Two days ago we have ad a fine skip for two days, but now all is returned to normal and reception is poor. As we are not yet ready to buy your television receivers we remain interested in your portables and other am/fm receivers pick-up, ect., and we expect to receive your catalogue and price list soon.

In waiting to hear from you soon we are,

Truly yours,

Atlas International Agency,
C. Vaillancourt, Jr.,
Manager.

CV/3

(Handwritten in margin) Gonzales: True there are no Canadian Govt restrictions to bring in radios and TV sets. However, the problem is that our sets are not licensed for sale in Canada by the Canadian Radio Patents Pool—(Initials illegible).

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1356.

February 11, 1953.

Belltower Distributors Limited
35-37 Gerrard St. West
Toronto 2, Ontario

Atten. Mr. J. A. Pardie, President

Gentlemen:

This acknowledges your letter of February 4th, with reference to your interest in securing a franchise for distributoin in Canada of the merchandise of our manufacture.

Please be advised that at the present we are unable to open any distributorships in Canada because we are not licensed for shipments to Canada by the Canadian Radio Patents Pool.

We are trying to work something out, however, and immediately upon completion of the matter you will be promptly notified and catalogs and parts lists will be sent to you, together with a letter explaining our sales terms and any other information that may be of interest to you.

Thanking you very much for your interest in our product, and trusting that in the not too distant future we shall be doing business with you, we are

Yours very truly,

R. Gonzalez,
International Division.

RG/ep

(Letterhead of Belltower Distributors Limited, Toronto 2, Ont.)

February
fourth
1953.

Zenith Radio Corp.,
6001 W. Dickens Ave.,
Chicago 39, Illinois,
U. S. A.

Dear Sirs:—

We are National Distributors in Canada of household electrical appliances, and our organization is set up in such a manner so as to be able to conduct business with either wholesalers or direct with dealers, in addition to servicing the appliances sold, as to parts and warranty repairs.

The writer has extensive experience in this field of merchandising, and is taking the liberty of writing you for the purpose of inquiring whether you would be interested in having representation in Canada under an exclusive Franchise.

We would appreciate hearing from you in this respect—giving full particulars and literature for the various products manufactured by your concern.

Yours very truly,

Belltower Distributors Limited,
J. A. Pardie,
President.

JAP/GS

(Handwritten in margin:) Ray: ACR and tell them we are not established in Canada—our products not licensed by the Canadian Radio Patents Pool.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1357.

LEGISLATIVE ASSEMBLY.
British Columbia

Parliament Buidings,
Victoria, B. C.,

February 18, 1953.

Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, U. S. A.

Dear Sirs:

I wish to thank you for your reply to my request for information concerning the possibility of sale of your radios and television sets in Canada.

In view of the demand in this country it is to be hoped that some time your company will be in a position to conform to the necessary requirements so that those who would like to purchase your sets will be able to do so. The few people whom I know who are at present owners of Zenith products have nothing but praise for their performance.

Yours sincerely,

Arthur J. Turner, MLA.

AJT/RM

February 11, 1953.

Mr. Arthur J. Turner
Legislative Assembly
Parliament Buildings
Victoria, B. C. Canada

Dear Sir:

This will acknowledge your letter of February 2, wherein you request information as to our reason for not being represented in Canada.

Please be advised that the Canadian Radio Patents Pool has not licensed us for importations into Canada due to the fact that we have no manufacturing in Canada, and while we do receive thousands of requests from all parts of your respected country, we have been unable to comply with them because of the fact that we are not licensed, as above stated.

Trusting that the above fully answers your letter and thanking you very much for the innterest you have shown in our company and our product, we are

Yours very truly,

R. Gonzalez,
International Division.

RG/ep

LEGISLATIVE ASSEMBLY
British Columbia

Parliament Buildings,
Victoria, B. C.,

February 2, 1953.

Zenith Radio Corporation,
6011 Dickens Avenue,
Chicago 39, Ill., U. S. A.

Dear Sirs:

It has come to my attention that the Zenith radios and television sets are not available in British Columbia or anywhere else in Canada. We are at a loss to understand why this should be. A friend of mine is interested in the possibility of securing an agency, particularly in British Columbia, for your products. I will be glad to receive information concerning these two matters at your earliest convenience.

Yours truly,

Arthur J. Turner, MLA.

AJT/M

(Handwritten in margin) Gonzales: Tell him that we are not licensed by the Canadian Radio Patents Pool because of the fact that have no manufacture in Canada. (Initials illegible.)

29 Palmerston Gardens,
Toronto, Ontario,
Canada.

March 8, 1956.

Zenith Radio Corp.,
Chicago, Ill.,

Gentlemen:

I have tried unsuccessfully for some time to get a Zenith Television Set here in Toronto., The Robert Simpsons Co. Ltd. sells Zenith hearing-aids, but, not any other of your products. I purchased a Zenith portable radio while I was in New York City, and it is the best radio I have ever had, and, since it was so good, I was most interested in getting a television set made by you.

Do you have a dealer or distributor of your products here in Canada, and, if not, would you be interested in offering a dealership to someone here in Toronto? I know that Zenith products would go over very big over here, as they are a very good product.

I am most anxious to hear from you regarding the above, and thanking you in advance, I remain

Yours very truly,

Mrs. T. Galinsky.

P.S. Could you send some literature on your products?
TG/cw

(Stamp) Zenith-Rauland
Cross-Claimants'
Exhibit 1359.

March 14, 1953.

Mr. F. W. Robinson, President
Robinson Electric, Limited
Kentville, Nova Scotia
Canada

Dear Mr. Robinson:

I certainly want to thank you for your kind letter of March 6, but I'm afraid I am not the person you visited with at the recent Radio Show at the Park Sheraton Hotel in New York City. My recollection is that that was the show and meeting conducted by our New York Distributing Company to present new TV models, and I did not attend that dealer meeting. Perhaps you spoke to someone from the Zenith Radio Corporation of New York, our distributing subsidiary for that area.

Unfortunately, Zenith radio and television sets cannot be offered for resale in Canada, in view of the fact that our products are not licensed by the Canadian Radio Patents Pool. The Pool does not license anyone unless it has established local manufacturing facilities in Canada and, as you know, Zenith does not manufacture, nor do we have arrangements with somebody else to manufacture our radios and television sets in Canada. In view of this situation, we have not directly exported Zenith radio and television sets to Canada for resale in that country, nor have we made any commitments or arrangements for the distribution of our sets in that market.

On the other hand, it is not unlikely that several hundreds, and perhaps thousands, of our radios and television sets have found their way into Canada, but these got in

there on individual shipments or purchases, without involving resale. Of course, a large segment of this individual purchase has flourished quite a bit in the cities and other commercial centers along the Canadian border.

For several months now we have been studying the possibility of our entering into the Canadian market on a full-fledged local manufacturing and distribution basis. The matter is now up for approval by our management and Board of Directors and as soon as a favorable resolution in this connection has been reached you will either hear from us or read about it in the local papers or trade publications. We expect that this matter will come up for a definite decision within the next three months.

Again, many thanks for writing to us and for the interest that you have expressed on Zenith products.

Very truly yours,

J. A. Miguel, Jr./b
A

(Letterhead of Robinson Electric, Limited, Kentville, Nova Scotia.)

Mr. John Miguel, March 6, 1953.
Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago, Ill., U. S. A.

Dear Mr. Miguel:

I would like to thank you very much for taking time to speak with me at the recent Radio Show and at the Park Sheridan Hotel in New York. I realize that you were pressed for time and there were many things I wished to talk over with you that had to be left unsaid.

I am keenly interested in the complete Zenith line, and am prepared to do anything in reason to work out some

kind of a business deal with you. I hope to see Zenith on the market in Canada soon and would like to feel that at that time your Company and mine would be doing business together.

As you are no doubt aware the Canadian Government has promised we shall have television in Nova Scotia by the end of the year, and we fully expect to sell television sets at that time in considerable quantity.

I would consider bringing some Zenith radios in now and paying full duty on them. Whilst they would possibly sell for at least 10% more than a Canadian manufactured product, I feel that the quality of your radios will assure a market at these prices. I am, therefore, asking if you would consider selling us radios to be shipped by you from your nearest warehouse. I have contacted the Customs and Excise Department and they assure us that there is no obstacle preventing us from importing radios.

I am prepared to do all this providing you could sell us radios at your best Distributor Discount. If you are interested in this proposition, please send us some catalogues and price sheets showing our net cost. I shall be pleased to give you an order for radios if you will consider selling to us.

Once again, may I thank you for the kindness shown me by yourself and your associates, which helped to make my stay in New York an enjoyable one.

Yours very sincerely,

F. W. Robinson,
Robinson Electric Limited.

FR/G

(Stamp) Zenith-Rauland
Cross-Claimants'
Exhibit 1219.

March 27, 1953.

The Winnipeg Supply & Fuel Co. Ltd.
8th Floor Boyd Building
Winnipeg, Manitoba, Canada

Gentlemen:

We acknowledge receipt of your letter dated March 23rd wherein you express your interest in becoming our distributor in Western Canada.

Please be advised that presently we are not prepared to go into any business negotiations in Canada due to the Canadian radio patent pool restrictions for companies that do not have manufacturing concern in Canada.

You may rest assured that everything possible is being done to open distributorships in Canada and as soon as we overcome the present difficulties you may be sure that you will be promptly notified and all necessary information given to you at that time.

Thanking you very much for the interest you have shown in our products, we are

Yours very truly,

Raul Gonzales,
International Division.

RG/jm

(Letterhead of The Winnipeg Supply and Fuel Co. Limited, Winnipeg, Man.)

March 23rd 1953.

Air Mail
Zenith Radio Corp.,
6001 Dickens Avenue,
Chicago, Illinois.

Gentlemen:

Our firm is anxious to negotiate for a distributorship in Western Canada on television equipment.

Our firm at present, widely distribute lines of various appliances representing such firms in Western Canada as the Iron Fireman Manufacturing Company and Rheem Gas Appliances. Our present dealers in a vast majority of cases, particularly in country points are general appliance dealers handling radio and other types of equipment. As one of the largest firms of its kind in Western Canada, we could readily expand and extend our sales force to give adequate coverage on television equipment wherever this action was necessary or the market and equipment handled justified our doing so.

There is not any television in Western Canada as yet and it appears that this city will have the first television broadcasting station commencing operations early this fall. From this start we see a rapid development of television broadcasting throughout the other larger cities in the west, probably including at least half a dozen who will get started within the next year or 18 months.

If, therefore, you have not made or initiated any plans for distributing your product in Western Canada to date, we would like to know if you might consider entering this expanding market and if so would appreciate receiving detailed information, prices, literature, etc. on your television equipment.

If you are interested, we would appreciate hearing from you prior to March 26th. At that time, we have one of our representatives making a trip to eastern Canada and he could go via Chicago which would give him an opportunity of learning something of your product and securing any other information.

Cordially yours,
The Winnipeg Supply & Fuel Co. Limited,
R. A. W. Vidler,
Research Department.

R. A. W. Vidler/vmci

(Handwritten in margin) Gonzales: You know the answer. (Initials illegible.)

(Stamp) Zenith-Rauland
Cross-Claimants'
Exhibit 1361.

April 16, 1953.

Firestone Tire & Rubber Company of Canada, Ltd.
Beach Road,
Hamilton, Ontario, Canada.

Attention: Mr. W. Derry,
Merchandise Buying

Gentlemen:

We acknowledge, with thanks, receipt of your letter of April 2nd, inquiring about the possibility of a distributorship deal with us for Canada. We also received your two very interesting wholesale and consumer catalogues.

First of all, our radios and television sets are not available for export to and resale in Canada, as Zenith is not licensed by the Canadian Radio and Patents Pool, on the ground that we have no local manufacturing facilities

in Canada. We have, therefore, abstained from making any commitments or even negotiating for the distribution of our sets in Canada.

We, at this time, are giving serious consideration to the possibility of setting up local manufacturing facilities in Canada, in which event we shall apply for a license from the pool, but no resolution has, as yet, been reached by our managements and board of directors. We expect that, at its best, this project may take several months to develop. Once the question of local manufacturing is decided upon, then we shall look into the problem of national and/or regional distribution.

In any even, if and when we are definitely established in Canada, it is not likely that we will make arrangements for distribution confined to certain segments of our line only, such as table models, in which you express particular interest. Rather, the arrangements for Canada will follow the same pattern as distribution of our products in the United States and markets abroad, where the entire line of radio and television sets from table models to combinations will have to be covered in the franchise.

We are thankful to you for writing to us and for the interest you have shown in Zenith products, and we hope that the question of marketing our products in Canada will be resolved satisfactorily by our management and directors.

Yours very truly,

JAMiguel, Jr./cb

(Letterhead of Firestone Tire & Rubber Company of Canada Limited, Hamilton, Ont.)

April 2, 1953.

Zenith Radio Corporation,
Chicago 39, Ill.
U.S.A.

Attention: Export Manager

Gentlemen:

While at the Furniture and Appliance Show, held in Chicago last January, the writer was greatly interested in your display of television and radio. I could not help but admire the modern and clever styling of your products.

We would be interested in discussing with you the possibility of the distribution of the Zenith line of mantel radios for Canada or the feasibility of securing cabinets and parts for the manufacture and assembly of these radios under the Firestone name in Canada.

As you probably know, we can offer you a nation wide distribution and we feel the best coverage of any national account in Canada. We operate on a similar basis to that of our Akron Office, in that we are considered national distributors and sell only to Firestone Dealer Franchised Stores and accounts who are located in every locality in this country.

To give you a clear conception of our type of merchandise, we are enclosing our latest Spring and Summer Wholesale Catalogue as well as our latest consumer catalogue.

We would appreciate hearing from you at your earliest convenience on the above subject.

Yours very truly,

W. Derry.

WD/lvs

Merchandise Buying.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1211

(Letterhead of Robinson Electric, Limited, Kentville, Nova Scotia.)

May 4, 1953.

Mr. J. A. Miguel, Jr.,
Manager, Internation Division,
Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, Ill. U. S. A.

Dear Sir:

Thank you very much for your letter of April 28 in reply to my recent query.

Until such time as you are able to distribut your products in Canada, and I trust that it will not be too long before that is possible, we shall not be taking on any other new lines of radio, and hope that we may eventually be able to sell Zenith.

Once again, thank you very much,

Yours sincerely,

Robinson Electric Limited
F. W. Robinson,
President.

FR/g

April 28, 1953.

Mr. F. W. Robinson, President
Robinson Electric, Limited
Kentville, Nova Scotia
Canada

Dear Mr. Robinson:

Thank you for your letter of April 20 expressing interest in distributing our radio and television lines in the Maritime Provinces.

We, too, are very much interested in securing satisfactory representation in the Maritime Provinces and, for that matter, other territories of Canada, but, unfortunately, it is not possible for us to sell our radio and television sets for export to and resale in Canada in view of the fact that we are not licensed by the Canadian Radio Patents Pool. This Pool, which is more or less a protective association, will not license unless we set up local manufacturing facilities—a matter now under consideration by our management which, however, may take several months to be decided upon. In other words, they would not license anyone whose business in Canada on radio and television sets would be based exclusively or largely on the distribution in Canada of American manufactured sets. A distributorship, therefore, of Zenith sets under these conditions would be meaningless and anyone buying our sets for distribution and resale in Canada would face possible legal entanglements and a lawsuit from the Pool, despite the fact that the Canadian Government itself does not prohibit the importation of complete radio and television sets into Canada.

We will surely communicate with you if, and when, the company decides to enter into the Canadian market by establishing manufacturing facilities there, or, should there

be any possible change in the policy of the Pool which would permit the distribution and resale of our American made sets without being harassed, molested or being threatened with civil law suits.

Again, thanking you for writing to us, and for your interest in Zenith products, we are

Very truly yours,

J.A.Miguel,Jr./b

Air-Mail

(Letterhead of Robinson Electric, Limited,
Kentville, Nova Scotia.)

April 20, 1953.

Mr. J. A. Miguel,
Manager of Export Sales,
Zenith Radio Corporation,
6001 West Dickens Ave.,
Chicago, Illinois, U. S. A.

Dear Sir:

I am very much interested in the complete line of radios and television receivers as shown by you at New York this year, and would like to handle them on a distributor basis for the Maritimes, that is: Nova Scotia, New Brunswick and Prince Edward Island.

Robinson Electric Limited have salesmen covering these provinces and selling to the Electrical Dealers. I realize that at the moment you are only considering entering the Canadian market, but you have the quality line of radios that I have been looking for for a long time, and I feel that there could be a large market for your products. I am, therefore, asking that when you do set up distributors for your products in Canada that you please consider us.

Trusting that I may hear favorably from you, I remain,

Yours sincerely,

Robinson Electric Limited
F. W. Robinson,
President.

FR/g

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1217.

May 5, 1953.

The Winnipeg Supply & Fuel Co.
Boyd Building, 8th Floor
Winnipeg, Man., Canada

Gentlemen:

Please accept our apology for our delay in acknowledging your letter, however, we felt that it would be best to investigate the matter a little bit further prior to replying to your third, fourth, fifth and sixth paragraph of your letter, and now we would like to send you an extract from another letter from the Canadian Radio Patent Pool Ltd., which we trust you will read carefully.

We are still, of course, investigating all possibilities of getting our merchandise to Canada, and we feel quite certain that it won't be too long before we find a way, and at that time you will be promptly notified.

Thank you very much, nevertheless, for the evident interest you have shown in our products, we are

Yours very truly,

Raul Gonzalez
International Division

RG/ms
Air-Mail

(Letterhead of the Winnipeg Supply and Fuel Co. Limited, Winnipeg, Man.)

April 11th, 1953.

Mr. Raul Gonzalez,
International Division,
Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, Illinois.

Dear Mr. Gonzales:

We have your letter of March 27th in reply to our earlier inquiry of March 23rd regarding distribution of your television and radio equipment in Canada.

You have stated in the second paragraph of your letter that you are not exporting to Canada at the present time because of our Canadian Radio Patent Pool does not make it possible for you to secure patent coverage for imported instruments.

Because we already represent some large American concerns in Western Canada who do not manufacture in this country, we felt that it was strange if there was some special law that had reference to the type of equipment manufactured by your organization.

Now this may be but according to our Legal Advisors, there does not appear to be anything in our Canadian Patent Laws which would prohibit your exporting and having your product distributed in Canada.

There is however, an aspect of our existing patent law which may be guiding your thinking and that is that if a patentee has not commenced to manufacture to an adequate extent and supply on reasonable terms, the patented article, within 3 years from the date of the patent, and if the manufacturer refuses to grant a license or distributorship on

reasonable terms, any interested party may make an application to the Commissioner of Patents for an Order that the manufacturer be forced to grant a licence of his manufacturing rights under the patent upon such terms as to royalties, etc., as the Commissioner may deem equitable.

However, of course, this provision is overcome providing you have active distribution of your products in this country irrespective of whether they are manufactured here or not.

We thought you would like to have this information if t is of any value to you and are writing you again reiterating our interest in the possible future distribution of your products in this country.

Cordially yours,
The Winnipeg Supply & Fuel Co. Limited
R. A. W. Vidler
Research Department.

R.A.W.Vidler/vmci

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1216.

May 7, 1953.

Mr. Mark Rycharski
Camp 8
Kemano, B. C., Canada

Dear Mr. Rycharski:

Your letter of April 26 addressed to the President of our Company has been referred to me for attention and reply.

We are very thankful to you for your very keen interest in obtaining one of our Super Trans-Oceanic short wave portables, the type of a set which we have every reason to believe, as you have indicated, to be one that is ideally

suited for usage in that part of Canada. Our only regret is that, apparently, the two letters you mention having written to us before have not been attended to, a situation that has upset us quite a bit inasmuch as we make it a point to answer, as promptly as we can, all letters we receive from our friends and customers abroad, including those that may come from all parts of Canada, which have been averaging better than 25 daily. A check of our files and records does not show that we ever got your first two letters, but it is just possible that they have been lost in the mails or mislaid in the routing of your letters for proper attention from one department to another. At any rate, we want to assure you that we are very much interested in receiving letters from our friends and customers like your goodself and we also value very highly your patronage of Zenith products.

I believe you should know that Zenith radios and television sets are not in the Canadian market either from local manufacturing or based on importing our American manufactured Zenith sets. The reason for this situation is the fact that we are not licensed by the Canadian Radio Patents Pool until such time as we have set up local manufacturing. As we understand it, this Pool, or Protective Association, in Canada, does not license anyone based primarily on the imports of American radios and television sets, rather they have to invest in the establishment of a local plant in Canada to take care of that market. For this reason, any of our friends and customers in Canada who wish to buy Zenith sets, like the Trans-Oceanic, for instance, will have to obtain them either directly from us or from our dealer outlets in the United States.

We shall be glad to sell you our Trans-Oceanic Model H500. The list price, f.o.b. factory is $124.25, plus $6.25 for the Z-985 battery pack. The set is available in stock for immediate shipment, and, if interested, will you please

send in your order at your earliest opportunity with covering U. S. dollar remittance.

Incidentally, in order that you might know the actual cost of this set to you at destination, we are outlining hereunder how the Canadian Customs charges are computed based on values for duty of $124 (Canadian funds) for the radio (Trans-Oceanic) and $6.00 (Canadian funds) for the battery:

Radio

$124 @ 20% (Duty)	$24.80
Duty paid value $124 plus $24.80—148.80 (value plus duty) @ 10% sales tax	14.88
Excise Tax 15% of $148.80	22.32
Total	$62.00

Battery

$6.00 @ 22½%	$ 1.35
Duty paid value $6 plus $1.35 equals $7.35 (value plus duty) at 10% sales tax	.74
Total	$ 2.09

Again, please accept our apologies for not attending to your request sooner, and if we can be of further service to you, please do not hesitate to call on us.

Yours very truly,

J. A. Miguel, Jr./b
Air-Mail
Encl.

From the desk of E. F. McDonald, Jr.

May 2, 1953.

Mr. Miguel—

Note this letter from Canada. I wish you would answer this fellow in detail and give him our booklet on theTrans-oceanic.

It's a shame that people like this write to us three times before they can get an answer. All letters like this should be answered. I assume the two previous ones never reached you.

He should be told what it would cost him in Canada; if it has to go through customs duty; etc. But he should also be told that many Canadians bring them back with them on their exemption when they come to this country, etc. etc.

McDonald.

K

Mark Rycharski, Camp 8, Kemano, B. C., Canada.

April 26th, 1953.

To the President of the Zenith Radio Corporation
Chicago, Illinois
U. S. A.

Dear Mr. President,

Please would you kindly advice me to whom I have to write my letter, or better if you would like to be so helpful and transfer this letter to the proper Dept. in your corporation, or to the good and respectable dealer.

I would like very much to purchase this beautiful "Zenith Super Trans-Oceanic Radio", portable, Model 1953—and I saved the money for it.

I am one of the New Canadians, you know, they all in the world call us not very nice DP (Delayed Pilgrims? or what?),—and I am working with the big construction hydro electric project in Kemano, B. C. (Morrison & Knudsen Co. of Canada Ltd.).

Leaving here far away from the outside world, in rocky mountains—radio set is the only pleasure and entertainment I can afford and wish very much to own.

I could buy the radio from Vancouver (Eatons mailing catalogue) by COD, but I can see only some poor looking sets and I have no confidence that this will be any good radio over here as the reception is rather hard.

Unfortunately I don't know the address of any dealer here in Canada or in the States, who is selling "Zeniths".

Seeing very often the advertisement of your corporation advertising Zenith Radio in the Saturday Evening Post —I wrote twice already (address: Zenith Radio Corp., Chicago, Ill., U. S. A.) asking kindly for information concerning purchase of Zenith set, that mean what is the price and how much money in USA currency I have to sent (in Bank Money Order) including customs duty (price duty paid).

I want to have this Radio and no other, and now I am mad, because I don't know what to do else, beside I did.

There was no answer for my 2 letters, which I tried to write very kindly and politely. I know my English is not very good, but I am trying to do my best in learning, and I hope that you Mr. President will agree with me that if someone was ignoring my request just for this reason—is certainly not a gentleman.

I ned the good Radio also for learning and improving my English—as there are special lessons broadcast from Victoria and Seattle, I think.

I am very sorry, Mr. President, to bother you with such

thing, because I know you have some more important things to deal with, but as you can see this is the only my hope, that maybe with your kind help, someone will answer me to my question.

I wish you a very good health and good luck with everything—family and business.

Yours very sincerely,

Mark Rycharski.

May 14, 1953.

Mr. Sid Crysler
Major Appliance Division
Seattle Hardware Company
501 First Avenue South
Seattle 14, Washington

Dear Mr. Crysler:

Len Truesdell has referred to me your letter of April 28 regarding the sale of Zenith sets in Canada. First, please excuse the delay in answering your letter as I have been out of town for several days.

So you may have a full understanding of Zenith's position in the Canadian market, I would like to acquaint you with certain facts and developments which have a definite bearing on the present situation in Canada whereby both Zenith radios and television sets have not been marketed on an official basis for many years in that country.

Zenith has not been an active participant in the Canadian market for almost twenty years now, due to the fact that our sets have not been licensed by the Canadian Radio Patents Pool, a more or less protective association that has been established in Canada way back in 1925 to look after the patent interests of a few of our principal make competitors, and to make it extremely difficult, if not

impossible, for others who are not in this circle to enter the Canadian market and compete effectively with them. This is not a Canadian Government agency, but under Canadian Patent Laws its position appears to be strong, and their threats of Civil law suits for damages, infringements, etc. against local Canadian companies and American companies established in Canada have invariably scared away many from distributing or reselling radio and television sets that are not licensed by the Pool. One feature of the licensing policy of the Pool is the fact that they do not license anyone unless the licensee has already, or will have, local manufacturing facilities in Canada. In other words, they do not want to license people like Zenith for instance, who at present do not have local facilities to manufacture Zenith sets in Canada and whose business in Canada will depend almost entirely on the importation of the American maufactured Zenith radios and television sets. Actually this matter of official entry of Zenith in the Canadian market is now under consideration by management and we are expecting a resolution on it sometime in the next 60 to 90-days.

In the circumstances, we have not shipped or sold directly our sets for export to and resale in Canada as we do not wish to be involved in unnecssary legal entanglements and law suits, particularly in view of the fact that we have assets in Canada as represented by our Canadian Hearing Aid Subsidiary in Windsor, Ontario. We know that very many of our Zenith sets have found their way into Canada some way or other through returning Canadian residents who have brought back with them Zenith sets and through the traffic enjoyed by our distributors and dealers along the border from coast to coast.

To the best of our knowledge this matter of power standards in Canada does not have the effect of a government restriction as the Canadian Government at present does

not have any import control, or restrictions, or prohibition on the importation of radio and television sets into Canada, provided that the payment of duties, as well as sales and excise taxes are taken care of and that the establishment of a fair market value is established to the satisfaction of the customers and excise authorities.

While Canada, or any part thereof, is outside your territory, we cannot advise you not to sell our sets for export to and reslae in Canada, particularly since we have, as yet, no distributorship or sales arrangements for the overall Canadian market. On the other hand, there is the likelihood that the people you are selling to in Canada, as well as your good selves, would be involved in a civil damage law suit initiated by the Pool, with the possibility that Zenith Radio Corporation may be, too, dragged into this matter.

We fully appreciate and understand that every day which goes by we are losing out on a lot of business because of the fact that we are not appopriately set up to participate in the exploitation of the rapidly increasing Canadian radio and television market. However, this is a problem which, as already indicated, is now being tackled at management level. In the meantime, we trust you will have this background in mind in the event you are faced with problems relating either to the actual sale or possibility of sale of our sets in the Canadian market.

With all good wishes,

Very truly yours,

J. A. Miguel, Jr./b

Air-Mail

(Letterhead of Seattle Hardware Company, Seattle 14, Washington.)

April 28, 1963.

Mr. L. C. Truesdell
Zenith Radio Corporation
6001 W. Dickens Avenue
Chicago 39, Illinois

Dear Len:

We have been shipping a few Zenith Trans-Oceanics to dealers in British Columbia. There is quite a market developing for this set in Canada. One of the dealers who is an importer, was in to see me today and wanted to have us get this Zenith Radio approved by The Canadian Standards Association, so that he could advertise and sell it openly in Canada. At present it is more or less an under the counter deal.

I explained to him that through some agreement Zenith had always stayed out of Canada and would not make any particular atempt to sell sets there. He then offered to get this approval for himself as an importer. Of course, if he gets it for himself it will be available to anybody else in British Columbia, but in order to get this he needs a copy of the Underwriters Laboratory Approval of the Trais-Oceanic. He states that if he could get this laboratory report then he would have no difficulty in getting the approval of the Canadian Standards Association and believes he could move two or three hundred sets in British Columbia in the next few months.

Since neither we, as the distributor, nor the factory would be involved in any way in making this application, I am passing it on to you and if it looks all right would appreciate it if you would send me a copy of the Underwriters Laboratory Approval which I could forward to him.

We have had a lot of dealers down here trying to figure out some way to get television sets into Canada, but they are stopped at the border because of this same lack of approval and whether your agreement with Marconi for Canada covers television as well as radio, I am not in a position to say. It might be worth looking into because we sure could do a slug of business up there if we could ship to Canada.

With kindest personal regards, I am

Yours very truly,

Seattle Hardware Company,
By Sid Crysler,
Major Appliance Division.

S. A. Crysler/eec

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1362.

June 9, 1953

Pacific Electric
P. O. Box 1399
Prince Rupert, B. C., Canada.

Gentlemen:

Please be advised that we are unable to sell our merchandise for distribution in Canada due to the Canadian Patent Pool restrictions of our products in your respective country and even if they were purchased locally they would have to be taken out of the country one at a time by individuals and each one bearing with them a retail price sales slip at the price which is recorded with Canadian customs.

We are looking forward to establishing a distributorship in Canada some time in the not to distant future and at

that time we will be happy to notify you so that you may contact our distributor for further information.

Thanking you very much, we are

Yours very truly,

Raul Gonzalez,
International Division.

RG:cb

(Letterhead of Pacific Electric, Prince Rupert, B. C.)

May 6-53

Zenith Radio Corp.
Chicago 39

Gentlemen:

We would like very much to import your Trans-Oceanic radios for the retail market.

Would you please advise who your distributors are in Washington State and in Alaska.

Yours very truly,

John H. Roach.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1238.

June 19, 1953

Mr. Eli Brown, President
National Television
5347 Park Avenue
Montreal, Quebec
Canada

Dear Mr. Brown:

We acknowledge with thanks receipt of your letters of May 26 and June 6, enquiring about the possibility of an arrangement for the distribution of our products.

Unfortunately, there has been no change in our own situation with respect to the manufacturing and/or distribution of our radio and television sets in the Canadian market. This matter is high in the agenda for consideration my our Management and Board of Directors. At this writing, we do not know how we are going to enter into a Canadian market and lacking a decision on the matter from our Management and Directors we are, of course, not in a position to make any commitments or even to negotiate for the eventual distribution of our sets for Canada or any part thereof.

Furthermore, because we are not licensed by the Canadian Radio Patents Pool, exports of our Zenith radios and television sets to Canada has been precluded. The Pool will not license anyone based on the sales development of the American made sets; rather they would do so only if the licensee will have manufacturing facilities in Canada, a matter which, as we already indicated, is now under serious consideration by our management. You will hear from us as soon as our management and directors have resolved favorably in this situation.

In the meantime, please accept our sincere thanks for the interest which you have evinced, and for taking the trouble of writing to us. With all good wishes,

Sincerely,

J. A. Miguel, Jr./b
Air-Mail

(Letterhead of National Television Nationale, Montreal, Que.)

June 6, 1953

Zenith Radio Corporation
6001 Dickens Avenue
Chicago 39, Ill.
U. S. A.

Attention: Mr. John McGill.

Gentlemen:

Further to our letter of May 23, 1953, we would like to point out that if there is any possibility of getting together on a proposition such as the one set forth, we would appreciate hearing from you at a very early date. If an equitable working arrangement can be arrived at, it would be advisable to get started immediately so that full advantage can be taken of the Fall season coming up.

Coincidentally, Mr. Louis Naimer of Union Electric Supply Co. Ltd., with whom your firm has had some preliminary discussion and shown an interest in working out a Canadian distributor deal, is associated with the writer. The reason that the Union Electric were not able to complete such a set up is that, as you no doubt know, radio and/or television receivers must be assembled in Canada by a Canadian Radio Patent Ltd. licensee, which we are.

Yours very truly,

National Television,
Eli Brown,

EB/TL *President.*

(Letterhead of National Television Nationale, Montreal, Que.)

Air Mail May 23, 1953.

Mr. John McGill
Zenith Radio Corporation
6001 Dickens Avenue
Chicago 39, Ill.
U. S. A.

Dear Sir:

This letter will serve to introduce us to you as Canadian manufacturers and distributors of television sets.

We have, hitherto, been importing chassis, components, etc. and assembling television sets of unknown names. We are licensed manufacturers and enjoy a large and pleasant relationship with television outlets.

We have not seen very many of your products on the Canadian market. We are anxious to make arrangements with a name brand manufacturer with a set whose quality is good and price competitive. If you are not already committed to a Canadian deal involving the assembly and distribution of your products, we would very much appreciate an opportunity of presenting to you, what we consider to be, advantages in working with us.

While we are mainly interested in television, we would of course be prepared to assemble and/or import and distribute your other lines as well.

Looking forward to a reply at your earliest convenience.

Yours very truly,

National Television
Eli Brown,
President.

EB/TL

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1364.

July 1, 1953.

Arkley, Payne & Watson Ltd.
1652 W. 5th Avenue
Vancouver 9, B. C.
Canada

Attention: Mr. George T. Watson

Dear Mr. Watson:

It is indeed a pleasure to hear from you again and you may rest assured that your letters are no bother whatsoever. They are considered very informative and of great value to us.

We have not as yet heard anything in reference to your comments about information released by the Canadian Radio Patents Pool in reference to TV in Canada. However, we will look into the matter and, if you on the other hand, can find out any further information, we would appreciate very much your relaying the same to us at your convenience.

We have not as yet encountered too much difficulty in obtaining materials for cabinets but we will keep in mind that they are available in Canada should we at any time decide to manufacture in Canada.

We thank you very much for your most valuable information and continued interest in our products. With kindest personal regards, we are

Yours very truly,

Raul Gonzalez
International Division

RG:GM

(Letterhead of Arkley, Payne & Watson Ltd.,
Vancouver 9, B.C.)

June 26, 1953.

Zenith Radio Corporation,
International Division,
6001 Dickens Ave.,
Chicago 39, U.S.A.

Attention Mr. Raul Gonzalez

Dear Raul:—

Who bothers you more than I do? I have heard that the radio pool have just about made a decision re TV in Canada, at least this is a rumor I received from the East today, and as it is just over a month since I last heard from you, I am wondering if there are any new developments with respect to Zenith for British Columbia.

Incidentally, if cabinets are any problem, arrangements could be made to have cabinets made right here in B.C., as industry is now set up here for that purpose. While there is not a tremendous amount of activity at the moment on TV, within the next 6 weeks the demand here should be terrific and we are certainly hoping that Zenith and ourselves will be in a position, early this Fall, to enjoy some of the volume which takes place.

If you have a moment I would appreciate very much indeed a short note from you.

With best personal regards,

Yours very truly,

Arkley, Payne & Watson Ltd.,
George
Geo. T. Watson

GTW/ob

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1368.

July 2, 1953.

Harris Music Shop
278 Main Street
Penticton, B. C.
Canada

Gentlemen:

We are not at all surprised that you do not know any Zenith distributors in any part of Canada since we do not have any distributorships at all in Canada due to the Canadian Radio Patent Pool restricting radio and television manufacturers from selling in Canada unless they have a manufacturing concern locally.

There are no distributors in the United States from whom you could purchase our merchandise for export unless you would cross the border, buy it, and carry it back yourself. Other than that, any purchases desired would have to be made direct from this office and, unfortunately, we are in no position to accept orders for merchandise for distribution.

Regretting our inability to serve you at this time but trusting that we can be of service to you at an early future date, we thank you very much.

Yours very truly,

Raul Gonzales
International Division

RG/jc

(Letterhead of Harris Music Shop, Penticton, British Columbia, Canada.)

June 20th, 1953.

Zenith Radio Corp.
Chicago 39, Ill.
U. S. A.

Dear Sirs,

For some time we have been interested in your radios and record players.

We do not know of a Zenith distributor here in Western Canada, but as we are near to Spokane and Seattle, we would like to know if any arrangements could be made.

In any case we would appreciate some literature and trade prices. There is no Television in this area.

Respectfully yours,

Harris Music Shop
Wm. J. Harris.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1214.

August 31, 1953

Mr. C. E. Crepeau
28 Jogues Street
Sorel, P. Q., Canada

Dear Sir:

Our New Jersey office has sent us a copy of their letter to you and also your letter in regard to importing our products into Canada.

At the present time it is impossible to give any quotations on our products for export to Canada because we are restricted by the Canadian Radio Patent Pool, but we hope in the very near future to be in a position to give you better news.

Thanking you for the interest you have shown in our products, we are

Yours very truly,

Raul Gonzalez
International Division.

RG/jc

Air-Mail

75 Austin Street
Mr. C. E. Crepeau,
28 Jogues St.,
Sorel, P. Q.,
Canada.

August 26th, 1953.

Dear Sir:

Thank you for your letter of August 19th inquiring about the possibility of purchasing Zenith products from us.

Unfortunately, we are not the distributors for your particular area, since we cover a portion of New Jersey and Staten Island only.

Under the circumstances, we are forwarding your request to our Chicago office for action.

Very truly yours,

Zenith Radio Corp. of New York
V. M. Aitken,
Office Manager,
New Jersey Division.

VMA:am

cc: Export Department—Chicago—For your attention

Sorel, August 19th, 1953.

Zenith Corporation Of New-York
Newark, N. J.
U. S. A.

Dear Sirs:

Upon inquiry in Chicago, about the possibility of buying your sets in Canada.

I have been told that for the present the Zenith company is not considering manufacturing sets in Canada, and since the Hydro-Quebec has certain specifications, that are not generally met in the states, the importation of sets in great quantities is not feasible.

However, by having each set imported in each customer's name, even though it represents more work, the difficulty can be pushed aside.

With this in view, and considering that your sets could easily be sold here given half a chance in the pricing.

Could you consider favoring me with the same prices that you sell your American dealers, a cash with order arrangement would be considered satisfactory to me.

Hoping that you will consider this offer very seriously, I remain,

Yours truly,

Chas. E. Crépeau.

My address is: C. E. Crépeau
28 Jogues St.
Sorel, P. Q. Canada

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1210.

October 22, 1953.

Mr. F. W. Robinson, President
Robinson Electric, Limited
Kentville, Nova Scotia
Canada

Dear Mr. Robinson:

Thanks for your letter of October 8th.

There has been no change in our situation for Canada since our last letter to you. Our hands are tied in the matter of exporting our radios to Canada as the Patent Pool will not give us a license, based primarily on the importation of the American manufactured Zenith sets. We would like to export our sets to Canada, particularly since there is no restriction on the part of the Canadian Government to ban our American made sets for resale in Canada. The only problem is that with the Pool and we have found, so far, that Canadian firms are reluctant to handle the distribution and resale of our American made radios for fear of repercussions from the Canadian Patent Pool. Actually, if you want to buy sets from us and are willing to undertake the risk of possible difficulties with the Pool because we are not licensed, we see no reason why we cannot sell you our radios, since, to the best of our knowledge, there is nothing under present Canadian Customs Regulations banning the entry of American Zenith radios into Canada.

The matter of establishing manufacturing facilities for Zenith sets in Canada continues under advisement. We cannot foretell at this time whether or not our management will decide favorably on our going into the Canadian

market by establishing local manufacturing facilities or making an arrangement with someone already established there to make the sets for us.

That is the way the situation is at present insofar as Canada is concerned. We trust you understand our position.

Very truly yours,

J. A. Miguel, Jr./b

(Letterhead of Robinson Electric, Limited,
Kentville, Nova Scotia.)

October 8, 1953.

Mr. John A. Miguel, Jr.,
Manager, International Division,
Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, U. S. A.

Dear Mr. Miguel:

In reference to your letter of April 28th in which you explained why you were not at present exporting Zenith Radio to Canada and which also stated that your management was considering such a step.

I am wondering whether any progress has been made to date along these lines and would appreciate hearing from you what the situation is at present.

Again, may I thank you for any and all past courtesies shown to me, both by yourself and other representatives of your Company.

Yours very sincerely,
Robinson Electric Limited,
F. W. Robinson,
President.

FR/g

December 22, 1953.

P. B. Hart Agency
723 Dominion Square Building
Montreal 2, Canada

Gentlemen:

We acknowledge with thanks receipt of your letter dated December 8, enquiring about the possibility of a representation or some other arrangement with respect to Zenith radio and television sets in Canada.

As you have surmised, we do not have any representation on Zenith radio and TV products in Canada for the reason that without a license from the Canadian Radio Patents Pool no one in Canada has been interested in distributing or handling our sets for resale. The Pool, as you know, from its policy of long standing, does not license anyone unless they have set up local manufacturing facilities. In other words, they are not interested in a license agreement based principally on the importation into Canada of the American made radio and TV sets.

We are desirous to sell our sets, particularly the Trans-Oceanic portable, for export to and resale in Canada, provided we can find someone in Canada who is in a position to merchandise our sets, knowing beforehand that in doing so he runs the risk of possible legal entanglement with the Pool. There is no problem in supporting a plan of about 250 Trans-Oceanics monthly, but the problem here, as pointed out above, is the problem with the Pool.

We do not know at this writing when Zenith will be established in Canada manufacturing wise, as this matter is still under advisement by our management. In the meantime, the best we can do is to sell our American sets to anyone in Canada who would be interested in importing them and undertaking the risk of a civil law suit with the Pool. You,

of course, realize that in the interim we can sell our sets for export to Canada free of any responsibility or obligation with respect to possible legal entanglement with the Radio Patents Pool.

Very truly yours,

J. A. Miguel, Jr./b

Air-Mail

(Letterhead of P. B. Hart, Manufacturers' Agent, 723 Dominion Square Building, Montreal 2, Canada.)

December 8th 1953.

Zenith Radio Corporation,
Chicago 39, Ill.

Dear Sirs:— Attention Sales Manager.

We have been wondering if you would be interested in being represented in Canada on commission basis or such other basis as may be made, for the sale of your radio and television apparatus.

We do not think that you have any representation in this country for these products, hence this letter. We have been as you can see by this letterhead in the textile raw material business for the past 35 years but we are thinking of getting out of it, in the not too distant future.

A couple of years ago the writer purchased one of your Trans-Oceanic portables in New York which has given every satisfaction and which I consider the best portable made.

In case you would be interested in this matter and to save time, we would like to know if it would be possible for you in 1954, to handle for example, say 250 portables monthly for Canada, as per your apparatus outlined on page 101 of the December issue of Holiday.

If you give us this information we would like to know the approximate FOB wholesale price, your shipping point, which we presume is Chicago so we could calculate at what this apparatus would have to sell retail in Canada. In Canada, price fixing, is not allowed by law, but the Manufacturer or Distributor, can suggest a retail price, such as you have done in the advertisement in question, in Holiday, for the United States market.

In conclusion might state that our record is clear, we have built our business to one of the largest of its kind in Canada but the textiles trades the last couple of years has not been satisfactory, hence we are considering getting into another business.

We would ask you to please treat this letter as confidential and will be pleased to answer any questions you may care to put to us.

Yours very truly,

P. B. Hart

PBH/I

(Letterhead of Industrial Distributors Co.,
Montreal 3, Canada.)

(Stamp) Zenith-Rauland Cross-
Claimants' Exhibit 1207.

February 1st, 1954

Zenith Radio Corporation,
6001 Dickens Avenue,
Chicago 39, Ill.

Attention: Mr. J. A. Miguel, Jr.
Manager, International Division

Dear Mr. Miguel,

We have never acknowledged your letter of December 18th, regarding the conditions on which you were willing to ship Zenith television sets into Canada.

We agree with you that the method proposed was not an ideal one, but it was the only suggestion we could come up with at the time.

However, the whole matter has now been solved by the fact that we have taken on the distributorship for the Province of Quebec for Emerson Radio and Television sets. These are manufactured in Canada by the Canadian Marconi Company Limited, and the former distributor, Canadian Fairbanks Morse Co., ceased to distribute Emerson on December 31st 1953.

We appreciate your efforts to co-operate in the matter of bringing television sets into Canada, and regret that there was no way in which we could get together on it.

Yours very truly,
Industrial Distributors Co.
Trevor Holland
Vice-President

TH/CV

December 18, 1953

Industrial Distributors Co.
1505 St. James St. W.
Montreal 3, Canada

Att: Mr. Trevor Holland, Vice President

Dear Mr. Holland:

We have discussed with our management executives and our lawyers the subject brought up in your letter of December 1st.

Frankly, we are not attracted to the idea as it involves a more or less underhand way of getting our products into Canada through a third party. However, we would be willing to sell and ship to you our complete sets for you to do whatever would be necessary to meet the Hydro standards prior to resale in Montreal and with the full understanding that in importing and reselling these sets you may run into some legal difficulties with the Canadian Radio Patents Pool. We, of course, can sell you our sets free of all obligations and/or responsibilities in connection with any legal entanglement or difficulty that you may be faced with.

If you are interested in buying Zenith sets under the condition outlined above, we shall be glad to send you complete literature on our current line and quote you accordingly.

Very truly yours,

J. A. Miguel, Jr./b

Air-Mail

(From the desk of—H. C. Bonfig)

December 15, 1953

Mr. Miguel:

copy—Messrs. Robertson
Kaplan
Wright

I have read over the attached from Industrial Distributors Co., Montreal.

Frankly I, personally, would not favor any such idea as outlined in Mr. Holland's letter of December 1st. If I remember correctly, when we were up in Canada the Davis Electronics Corp. was mentioned as the one gyp outfit in Canada.

Furthermore, it would seem to me that for the privilege of picking up a few hundred sets in Canada, we could well jeopardize our whole position in this market. Even though Admiral have injected some "schlock" ideas into the Canadian market, Canada still remains an essentially conservative market where most people have their feet pretty well planted on the ground and conduct their business in a pretty sensible manner.

I am afraid of any of these trick alliances which might present themselves as a means of entering this market. It is my judgment we should enter the market Right or not at all. By Right, I do not mean with our own plant, or any great expense, but I do mean on a basis which will attract the kind of highgrade dealer in Canada that will put us in the same kind of competitive position that we enjoy in the U. S.

H. C. B.

HCB:bk

Enc.

(Letterhead of Industrial Distributors Co.,
Montreal 3, Canada.)

December 1st, 1953.

Zenith Radio Corporation,
Chicago, Ill.

Attention: Mr. McGill, Sales Mgr. Export.

Dear Mr. McGill,

After speaking to you on the telephone on Tuesday November 24th, we did some further investigating with regard to the possibility of bringing Zenith Television sets inot Canada, legally.

On Friday November 27th, I spoke to Mr. Peirels, in your absence, and told him what further progress we had made. He informed me that you would be back in Chicago around the 6th or 7th of December, and suggested that I write you giving you the whole story, so that you could consider the matter and let us have a reply as soon as possible.

We have had preliminary discussions with Mr. G. O. Davis, President of Davis Electronic Manufacturing Corporation Limited. This company is a member in good standing of Canadian Radio Patents Limited, and at present they are supposedly manufacturing Brunswick television chassis in Canada, and selling them under stencil brand names, such as Coronet. Davis Electronic Manufacturing Corporation is actually only doing a partial assembly job in Canada, but they are apparently able to keep in the clear with Canadian Radio Patents Limited, as long as they pay the 3½% royalty which is required on each set. They have the regulation $1000.00 deposit with Canadian Radio Patents Limited.

Mr. Davis' proposition is that you should ship to him, for our account, television cabinets and chassis in separate packing, shipping the picture tube, but omitting the receiving tubes. He would then install the chassis in the cabinets in his little plant at Lachute, Quebec, install Canadian receiving tubes made by the Canadian Marconi Company Limited, put on the official sticker of the Quebec Hydro Electric Commission, and turn the completed sets over to us. He would pay the 3½% royalty on each set to Canadian Radio Patents Limited, and would be recorded with them as the manufacturer of Zenith television sets in the Province of Quebec.

As far as Canadian Radio Patents Limited is concerned, he would be manufacturing, and using us as a distributor. Actually, of course, we would be buying from you, for shipment to us via Davis Electronics Manufacturing Corporation Limited.

We are attaching a recent announcement we sent out to our dealers in the Province of Quebec, which will give you a summary of the products we handle. As you can see, they are all prestige products, and we are interested in trying out this market with a television set having a name which will rank with the names of the products we already distribute.

Our listing in the current issue of Dun & Bradstreet is D + 2, and for references we would refer you to the Lewyt Corporation of Brooklyn, N. Y., Apex Rotarex Corporation of Cleveland, Ohio, The Perfection Stove Company of Cleevland, Ohio and Servell International, Pine Street, New York.

If the proopsition set forth above is of any interest to you, we were thinking in terms of bringing in 150 or 200 sets in order to try out the market as far as our present dealers in the larger Quebec centers are concerned. A separate English language television station is going into

operation in Montreal shortly, which will give us two outlets here, and Burlington, Vermont and Plattsburg, N. Y. both expect to build stations in the near future, which will be beamed primarily at Montreal. Quebec City, where we have several very good accounts, is also expecting to have a television station within the next two months. You can see, therefore, that even in spite of the terrific number of brands of television which are already on the Quebec market, that the television picture is only beginning to open up here.

If you intend going into this matter further, we will of course have to have an idea of what it would cost us to have you ship television sets under the conditions referred to above. The 21 inch screen is the most popular here at the moment, although there is still quite a bit of selling being done with the 17 inch screen.

We would appreciate hearing from you.

Yours very truly,

Industrial Distributors Co.,

Trevor Holland,

Vice-President.

TH/CV

Encl.

(Letterhead of Industrial Distributors Co., Montreal 3, Canada.)

October 19, 1963.

Announcement.

To All Our Dealers:

On October 16th we discontinued the distribution of Bendix Appliances, which will henceforth be handled by Moffats Limited, Montreal.

On the same day, we are proud to announce that we were appointed as exclusive distributors throughout the Province of Quebec of the famous "Apex" line of Automatic

Washers and Dryers, Wringer-type Washers, and Automatic Dishwashers and Garbage Disposal Units. This outstanding line of laundry equipment will be well remembered by both dealers and members of the public to whom it gave such satisfaction in the past, and we are looking forward to showing you the exciting new Apex "Wash-A-Matic" models that we are now introducing into the Quebec market.

We are also proud to announce at this time that we were recently appointed as exclusive Quebec Distributors for the well-known line of "Perfection" Gas and Electric Ranges, Gas and Oil Space Heaters, and Portable Room Heaters. Perfection's exclusive features and superior construction and finish have made their products leaders in the field for many years, and their name is accepted everywhere as representing a line of quality merchandise, manufactured for that section of the public which insists on buying the best, at competitive prices.

In addition to the two above lines of appliances, we are still of course exclusive Quebec Distributors for the world-famous "Servel" Refrigerators, Home Freezers and Air Conditioners; and for "Lewyt" Cleaners, the only vacuum cleaner in America that has been officially endorsed by the National Institute of Rug Cleaners.

In closing, may we say that we are extremely grateful for the business which you have been good enough to place with us in the past, and we hope that with these four leading lines of household appliances, we can continue to be of service to you in the future.

Yours very truly,

Industrial Distributors Co.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1243.

February 2, 1954

Amana of B. C.
3158 West Broadway
Vancouver 8, B. C.

Gentlemen:

In reply to your letter of January 25, we are sorry to advise that we have not reached any definite conclusion regarding the establishment of a Canadian set up to manufacture and distribute our radios and television sets in Canada. The various possibilities are still being studied and checked by our management, but, at this writing, it is impossible for us to indicate what the outcome is going to be.

In the meantime, we would like very much to sell our American made radios and TV sets for export to and resale in Canada, but furtherance of this possibility has been hampered by the Canadian Radio Patents Pool, who has threatened law suits against Canadian firms who would handle and resale our sets, as Zenith is not licensed by the Pool. This combine does not license on the basis of direct importations, rather they would do so only when the licensee has a local manufacturing set up in Canada. This is a situation which we find it very difficult to understand, and we often wonder why the trade tolerates it, when the Canadian Government itself imposes no prohibition or restrictions on the importation of American radios and television sets. If the Canadian radio and television industry needs protection for its survival, its recourse is to the Government, not to a so-called patent combine from which only five or six in the industry derive direct financial benefits.

Very truly yours,

J. A. Miguel, Jr./b
Air Mail

(Letterhead of Amana of B. C., Vancouver 8, B. C.)

January 25th, 1954.

Zenith Radio Corp.
Chicago 39, Illinois.

Attention Export Manager.

Dear Sir:

On November 13th last I contacted you by telephone during my brief visit to Chicago. At that time you advised me to contact you by letter after the first of the year.

As I mentioned previously, we are distributors for Amana Refrigeration Inc. and are very desirous of taking on another line. Your line appealed to us very much, and we feel our firm could do a job for you in this province.

I would like very much to hear from you and to know if anything further has been done regarding your line being merchandised in Canada.

Yours truly,

E. S. Freedman,
Amana of B. C.

HF/b.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1247.

Legislative Assembly
Province of Quebec.
Quebec City, February 24th, 1954.

The Sales Manager,
Zenith Radio Corporation,
6001 Dickens Ave.,
Chicago, Ill., U. S. A.

Dear Sir:

I wish to obtain, as soon as possible from a Canadian Manufacturer of radio and television receivers licensed by Canadian Radio Patents Limited, a direct agency as wholesale distributor for Quebec City and district, with the intention of placing agents in towns and places where this manufacturer is not yet represented. In addition I could secure repairs and service as warranted on the receivers in question.

My son, who is to be a partner in the undertaking, speaks both languages as I do, and is now employed by the Bell Telephone Company of Canada. We had followed electronics and radio-television courses at the Quebec Technical School and at present are following an improvement course called: "Radio and Television Servicing," from the National Radio Institute of Washington, D. C., U. S. A.

You will find enclosed copies of letter and list of manufacturers licensed by Canadian Radio Patents Limited containing all information in respect of their requirements. If you are interested to obtain a license under the Canadian Radio Patent Act soon, I would be grateful to be informed if you are interested in being represented in our district, because Quebec City is to have a television broadcasting

Station before the 1st of May and excellent opportunities are to be provided by the organization of Television in our region, where demand will be considerable for the sale of receiving sets.

I own myself one of your Zenith TV receivers, model No. 192230E, serial No. R-283101 since few months and though the nearest broadcasting Station is in Montreal at a distince of 180 miles, I am glad to let you know I have a very good reception.

If you are interested in the proposal, I could furnish the best references before requesting the privilege of being your representative. I hope that my request will receive full consideration and remain,

Yours truly,
Roch Potvin.

Roch Potvin,
7 St-Cyrille Street,
Quebec City,
Que, Canada.

True Copy
Canadian Radio Patents Limited
159 Bay Street
Toronto

January 21, 1954.

Mr. Roch Potvin,
7 St-Cyrille Street,
Quebec City, Quebec.

Dear Mr. Potvin:

We have your letter of January 19th with reference to importation of radio and television receivers from the United States.

For your general information I am enclosing a copy of a Notice with respect to the licensing policy of Canadian Radio Patents Limited that we run at regular intervals in the various Canadian radio and television trade publications.

Canadian Radio Patents Limited is a central patent licensing agency administering the Canadian patents covering inventions in the field of radio and television receivers originating with such companies as RCA, Hazeltine, General Electric, Westinghouse, Norther Electric, Marconi, Rogers and Philips. Our Company was established in 1927 and since that time has never refused a license to anyone wishing to operate under these Canadian patents in accordance with the requirements of Canadian Patent Act. However, the Canadian Patent Act has certain requirements with respect to manufacture of patented articles in this country and one of the requirements of a license is therefore to manufacture the receivers in Canada rather than import them from abroad.

From time to time over the past fifteen years we have received various inquiries with respect to the requirements of Canadian Patent Act and the licensing policy of Canadian Radio Patents Limited from Zenith Radio Corporation and we believe that they are fully aware of the above requirements.

If either you or Zenith Corporation is interested in a license under the patents owned or administered by Canadian Radio Patents Limited to manufacture radio and television receivers in Canada in accordance with the requirements of the Canadian Patent Act under which all other companies are operating (we have granted sixty licenses since 1945) such license can be obtained on the same terms and conditions as our other royalty paying licensees but a license cannot be granted for importation and if unlicensed receivers are offered for sale in this country we will have no alternative but to protect our rights and those of our licensees by action for patent infringement.

Yours very truly,

S. D. Brownlee,

Secretary-Treasurer.

SDB/ml

Notice

To Importers, Vendors or Users of Radio and Television Receivers.

We wish to bring to your attention that Canadian Radio Patents Limited is a central patent licensing agency administering various important Canadian patents of invention relating to radio and television receivers.

While under the provisions of Section 45 of the Canadian Patent Act, the owner of a patent and his legal representatives have the "exclusive right, privilege and liberty of making, constructing, using and vending to others to be used" the patented invention, Canadian Radio Patents Limited, however, in accordance with the requirements of Section 65 and 66 of the Patent Act, has licensed the following Canadian companies for the manufacture and sale in Canada of radio and television receivers embodying said inventions:—

Addison Industries Limited
Canadian Admiral Corporation Limited
Canadian Aviation Electronics Limited
Canadian General Electric Company Limited
Canadian Marconi Company
Canadian Radio Manufacturing Corporation Limited
Canadian Westinghouse Company Limited
Chisholm Industries Limited
Coronet Television Corporation
Cossor (Canada) Limited
Crosley Radio and Television Limited
Davis Electronics Manufacturing Corporation Limited
Deseronto Electronics Limited
Dominion Electrohome Industries Limited
Electrical Products Manufacturing Company Limited
Emerald Television Corporation
Hallicrafters (Canada) Limited, The
Industrial Radioelectric Enterprise Limited
Jewel Radio Company of Canada, The

Manning Radio Limited
Measurement Engineering Limited
Monarch Radio Manufacturing Company
Motorola Canada Ltd.
Northern Electric Company Limited
Philco Corporation of Canada Limited
Provincial Distributing Reg'd
Pye Canada Limited
Radioletric Manufacturing Company
RCA Victor Company Limited
Research Industries Limited
Sparton of Canada Limited
Stark Electronic Instruments Limited
Stewart-Warner Corporation of Canada Limited
Stromberg-Carlson Company Limited
Super-Electric Industries Limited
Thorcraft Limited
Transvision-Television (Canada) Limited
Triton Electronics Limited
United Television Company Limited

The above companies are working the patented inventions in Canada on a commercial scale and are prepared and willing to meet the public demand for the patented articles in Canada on reasonable terms.

Canadian Radio Patents desires to inform importers, vendors, purchasers or users of radio or television receivers which infringe patent rights owned or administered by Canadian Radio Patents Limited and are not manufactured by any of the Canadian companies listed above, that they will be held liable to Canadian Radio Patents Limited on account of said infringement.

Canadian Radio Patents Limited will be glad to furnish upon application full particulars and information in respect to the patents that it owns or administers relating to radio and television receivers.

Canadian Radio Patents Limited,
159 Bay Street,
Toronto, Canada.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1372.

April 8, 1954

Weco Sales
103-1980 Nelson Street
Vancouver, B. C., Canada

Attn: L. Harold Michalson

Gentlemen:

This is in reply to your letter of April 4th, regarding the representation of Zenith Radio in the British Colombia area in Canada.

We are very sorry, that this is not possible at the present time, due to the Canadian Radio Patents Pool restrictions. Since we have no manufacturing facilities in Canada, we are not licensed by the Canadian Radio Patents Pool for distribution of our products in Canada, and under the circumstances, we are unable to make any offers to you at this time.

You may rest assured, that if and when any changes are made, you will be notified accordingly.

We thank you very much, nevertheless, for the evident interest you have shown in our company.

Yours very truly,

Raul Gonzales,
International Division.

RG/hb

Air-Mail

(Letterhead of Weco Sales, Vancouver, B. C.)

April 4, 1954.

The President,
Zenith Radio Corporation,
Chicago, Ill.

Dear Sir:

I have often wondered why your line is not distributed here in Western Canada, having owned and enjoyed a number of your sets. I would be interested to learn as to whether you would like representation in this area, and if so, would like further particulars.

The potential sale of Radios and Television in Western Canada is tremendous, and at present is shared by only a few of the larger manufacturers.

I will be very pleased to hear from you regarding this matter.

Thanking you, I am,

Yours very truly,

Weco Sales,
L. Harold Michalson.

LHM/c

(Written in margin.) (Illegible.)

(Written in margin) Gonzales: Pls. ack. & tell him we have not been able to export for resale in Canada owing to Canadian Radio Patents Pool. We have no manufacturing facility in Canada. That's why we have no distribution in all Canada.

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1373.

July 23, 1954

Lumsden and Company
P. O. Box 403
Ancaster, Ontario
Canada

Gentlemen:

We certainly appreciate the evident interest you have shown in our products, but unfortunately at this time we cannot make any offers to you.

The Canadian Radio Patents Pool has not licensed us for the distribution of our products in Canada because we have no manufacturing facilities locally.

If, and when, we will be in a position to do business you can be certain that we will notify you immediately.

Thank you very much.

Yours very truly,

Raul Gonzalez,
International Division.

RG/sd

Air-Mail

(Letterhead of Lumsden and Company, Ancaster, Ontario.)

July 20th, 1954

Zenith,
6001 Dickens Ave.,
Chicago, Ill.
Attention: Sales Manager

Dear Sir:

Our firm wishes to obtain a quality Hi-Fi line for Canadian distribution. Your ad in the July 17th issue of Billboard on your sets is of great interest to us.

We have investigated the Canadian market thoroughly and believe your "Zenith" models should fit in exceptionally well.

If you fee lthat an association with our company could be of benefit to you, we would be pleased to go into further details with you.

The set would have to meet C.S.A. electrical standards and in order to do this and to ascertain freight rates, we would have to import one model as an experiment.

After this has been done and after showing the models to some of our largest accounts, we would purchase stock for distribution across Canada.

The writer will be in Chicago soon, and would therefore appreciate a reply at your earliest convenience.

Sincerely,

Lumsden and Company,
Wm. G. Lumsden,
President.

WGL:ac

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1206.

August 11, 1954

Shelbern Industries (Canada)
1449 St. Alexander Street
Montreal, Quebec
Canada

Att: Mr. Bernard B. Lax, Sales Manager

Gentlemen:

Receipt is acknowledged with thanks of your letter dated August 6 with regard to the possibilities of Zenith products in Canada.

For several months now we have had under serious consideration by our management Zenith's entry into the Canadian market on a more or less permanent basis. As you can well imagine, there are several ways of accomplishing this. All these angles, possibilities and ramifications are being fully explored. So far, no resolution or decision has been reached by our management in this regard, but it is expected something will be decided upon in the very near future to enable Zenith to participate freely in the Canadian market.

We, too, have been very pleasantly surprised with the high regard that Canadians have for Zenith products, despite the fact that we have been out of that market on a direct basis, that is, either through direct exports from the factory or through local assembly or manufacturing. The high regard for Zenith products in Canada perhaps is an indication of the large quantity of Zenith sets, both radio and television that have been brought into Canada by individuals acquiring the sets from our American jobbers and dealers.

As you have surmised, Zenith is not licensed by the Canadian Radio Patents Pool, on account of which the

importation of Zenith sets for resale in Canada has been, for all practical purposes, nil. We understand that those who have imported Zenith sets for resale in Canada have been threatened by the Pool and this action has scared many from indulging into such activity. Frankly, to the best of our knowledge, we know of no Canadian Government regulation or restriction that forbids the entry of Zenith or any other American radio into Canada, as long as the legal duties and taxes are paid.

With regard to selling you our plastic cabinets, whether they be of new or old models, we are sorry to state that this is not possible. Our plastic cabinet designs are individual to Zenith and they are almost as exclusive to us as our trade-mark proper. In keeping with the company's policy of long standing we do not wish to release or sell these plastic cabinets for usage with other than Zenith chassis and for sale under a different brand. However, there are a number of American competitors and there are many of them who might be interested in selling you cabinets of their molds. We would suggest that you obtain the full list of American radio manufacturers from the Radio-Electronics-Television Manufacturers Association (RETMA) at Suite 800—Wyatt Building, Washington, D. C., or, better, request RETMA to put you in touch with those manufacturers who might be interested in a deal of that kind.

Concerning your further proposal, we regret that we cannot take advantage of it since this whole situation, as mentioned above, is under consideration by our management and we cannot act or negotiate until we know that it would be within the limits of the directive or policy to be established.

Thanking you for writing to us and for your interest in Zenith, we are

Very truly yours,

J. A. Miguel, Jr./b
Air-Mail

(Letterhead of Shelbern Industries (Canada),
Montreal, Que.)

August 6, 1954.

General Manger
Zenith Radio Corporation
Chicago 39, Illinois
U. S. A.

Dear Sir:

For some time now, I have wondered why your company has not introduced their radios into the Canadian market. It seems a pity that you cannot take advantage of the fact that the Zenith name is firmly established here, and that the potential is vast.

Our company is now manufacturing radios under the brand Shelbern. The line is unadvertised, have buying appeal in the virtue of its low price. In preparing for the coming season, we find that we have run into difficulty in securing cabinets. As our operation is relatively new, we feel that the initial cost of molds does not warrant us making specially designed cabinets. Consequently, the thought came to mind, that since your products are not available here, perhaps you would sell some cabinets to us, either your new, or your discontinued models. We would be interested in the following: #J615; #J733; #L622. Kindly quote us your best price in 1000 & 2000 lots. We would of course replace your name with ours.

I wish to make a further proposal. We have a plant of highly qualified technicians. Our overhead is extremely small, so that we can assemble radios at a very low cost. We have a wide sales organization of the best radio salesmen in the industry who completely cover all of Canada from coast to coast. We would be very interested in com-

ing to an agreement with your company whereby we could buy complete kits of parts of Zenith radios, assemble them, and then market the completed sets under your brand name. Alternatively, we would be prepared to offer you company stock in return for extended credit on kits purchased.

I am sure you are aware that Canadian Radios Patents Ltd. prohibits the entry of completed radios into Canada for resale. We are licenced by them to assemble radios, and have the facilities to produce upwards of five hundred units per week. Our sets are also approved by Canadian Standards Association, and it would be little trouble to have your designs approved.

We would be most anxious to discuss the aforementioned with you further. Should you not see your way clearly to pursue the above proposals at the present time, we would be greatly indebted to you if you would provide us with the names of several companies in your acquaintance in the United States where we can obtain radios cabinets.

In the hope of hearing from you at your earliest convenience, I remain,

Yours very truly,

Bernard B. Lax,

Sales Manager,

Shelbern Industries (Canada).

BBL:lp

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1205.

October 26, 1954.

J. D. Valliere Limitee
862 St. Catherine Street East
Montreal, Quebec
Canada

Gentlemen:

We acknowledge with thanks receipt of your letter dated October 29, expressing interest in selling our Zenith radios through your credit jewelry store chain and door-to-door systems.

As you know, Zenith radios are not manufactured locally in Canada and such Zenith radios that are available or in use in Canada are of American manufacture and were imported. We have not been able to establish distribution arrangements for all or any portion of Canada because Zenith radios, not being manufactured locally, have not been licensed by the Canadian Radio Patents Pool. Because of that situation, we have found it impossible to find any firm in Canada who would undertake the distribution of Zenith sets for fear of reprisal from the Pool.

We are, of course, willing to sell our radios for export to and resale in Canada, but without any obligation or responsibility on the part of our company with regard to such action as may be undertaken by the Pool, aimed particularly at those who resell our sets in Canada. As there are no Canadian Government regulations prohibiting or restricting the importation of Zenith sets into Canada, there will be, we believe, no problem bringing them in. The only problem is in connection with the Pool, who will, no doubt, threaten you with court action for damages, etc.

In such event, we will, of course, do everything possible in battling their case in court as we, too, are very anxious to know just what alleged patents of theirs are being infringed upon by our circuits and sets. To the best of our knowledge, no action of this kind has been actually taken to court, although many threats of such action have been made to certain firms who imported our sets for resale.

Such is the situation we are faced with in Canada, which, we believe, you should know about. We have been exploring the possiblity of manufacturing our sets in Canada, but, at this writing, it is hard to say how far we are away in the realization of this project.

We are pleased to send you herewith a complete set of descriptive and illustrated specification sheets covering every one of our AC/DC radios, portables, clock radios, combinations and high-fidelity instruments.

If, despite the present difficulty with the Pool, discussed above, you see the possibility of marketing our radios and you are still interested, we shall be glad to furnish you with our confidential export distributor price schedule, upon request.

Thanking you for writing to us, and for your interest in Zenith, we are

Very truly yours,

J. A. Miguel, Jr./b

Air-Mail

(Letterhead of J. D. Valliere Limitee, Montreal, Que., Canada.)

October 20th, 1954.

Zenith Radio Corporation,
Chicago 39, Illinois.

Attention: Sales Manager

Dear Sir,—

We are interested in your lovely radios as advertised in The Jeweler's Circular. We are the largest distributors of Jewellery and allied lines in French Canada.

We believe that we could use your merchandise in large quantity in both our Credit Jewellery Stores and our door-to-door business.

As you know, it is impossible to sell on credit and door-to-door and buy from jobbers. We have a Jobber Organization by which we buy Remington shavers and typewriters, Ronson lighters, and a whole lot of nationally advertized merchandise.

It has worked out very well without upsetting their selling set-up in our territory, or causing them any trouble. Whatever merchandise you would ship to this Jobbing Company, J. D. Valliere Limited will hold itself responsible creditwise.

If you are interested in a set-up like that in French Canada, we would appreciate receiving your Catalogue, and, we will communicate again with you very shortly.

Very very truly,

J. D. Valliere Limited,
J. L. Mayrand,
Accountant.

(Letterhead of J. D. Valliere Limitee, Montreal, Que., Canada.)

October 28th, 1954.

Mr. J. A. Miguel, Jr.,
c/o Zenith Radio Corporation,
Chicago 39, Illinois,
U. S. A.

Dear Sir,—

We acknowledge receipt of your letter of the 26th instant, which we read with interest. Since we have not sold radios as yet, we have learned a lot about the Canadian Radio Patents Pool.

We have obtained information to the effect that there is nothing to do for the present with that Pool, and we sincerely regret to say that we do not wish to start a fight right now.

If, on the other hand, you see your way through with the Pool, we would very much appreciate being informed of your intentions concerning distribution arrangements in this Country.

We thank you for the illustrated specification sheets received, and until we hear from you again, we remain,

Yours sincerely,

J. D. Valliere Limitee,
J. L. Mayrand,
Accountant.

(Letterhead of W. R. Watkins, Company Limited,
41 Kipling Avenue South, Toronto 18,
Ontario, Canada.)

(Stamp) Zenith-Rauland Cross-
Claimants' Exhibit 1278.

November 29th, 1954.

Zenith Radio Corp.,
6001 West Dickens Ave.,
Chicago, Ill.
Atten. Mr. H. C. Bonfig,
Vice-President & Director of Sales

Dear Mr. Bonfig:

As indicated by me during my telephone conversation with you, I am enclosing a copy of a letter just received from Mr. Gordon Gowling.

If Monday December 6th is satisfactory for you to see me, I will be only too pleased to go to Chicago and it is possible that at that time a number of questions which your Counsel wishes to raise with Mr. Gowling can be answered via long distance phone. I would request Mr. Gowling to be in his office on that date.

Should unforseen circumstances make it impossible for you to keep Monday December 6th, then I will await your call and a suggested date from you for a later meeting.

Other information which I have been able to assemble will be of interest to your Company, I am sure.

Yours very truly,

W. R. Watkins Company Limited.
W. R. Watkins
President.

WRW/W

(Letterhead of Gowling, MacTavish, Osborne & Henderson, Barristers & Solicitors, Ottawa, Canada.)

November 26, 1954.

W. R. Watkins, Esq.,
W. R. Watkins Company Limited,
41 Kipling Avenue South,
Toronto 18, Ontario.

Dear Reg:

With reference to our recent correspondence and telephone conversations, I feel that before I write direct to Mr. Bonfig of Zenith or arrange to meet with him in Chicago, you should consider whether such a conference will serve any useful purpose. My own position would also have to be clarified because of commitments which I have to other companies concerned with patents in the electronic field. As I explained, I charge Counsel fees at the rate of $500.00 per day in connection with all work referred to me in connection with such matters and I do not wish to accept work on this basis unless I feel that I can accomplish something for you. Both Mr. Brownlee, and I, have already given you considerable general information about Canadian Radio Patents Limited and our patent laws. I, therefore, feel that it would be much more satisfactory if you and Mr. Bonfig would indicate to me what questions you wish to raise in Canada for my consideration.

In dealing with your problems, you should keep in mind that I am under retainer to Canadian Radio Patents Limied and also to Philco. Although I am not definitely committed on all matters to other leading manufacturers, I have acted as Counsel for some of them in matters pertaining to the radio and television art.

The policy of Canadian Radio Patents Limited is to grant licences under its patents to anyone wishing to manufac-

ture television and radio receivers in Canada and, I believe, you have been given a copy of the form of license agreement which is issued. The Company does not permit the importation of sets from other countries. As I pointed out in our earlier discussions of this subject, the working conditions of the Canadian Patent Act require patentees to manufacture in Canada to a sufficient extent to satisfy the demands for patented products in this country. Since the licensees are able to fully supply the Canadian market, it would be an abuse of the patent rights if Canadian Radio Patents Limited permitted the importation of sets from other countries. The conditions of our Act to which I refer are contained in sections 66 to 73 of the 1952 edition of our Patent Act. I think you will find that the patent attorneys for Zenith are probably familiar with our laws.

If you and Mr. Bonfig wish me to supplement the information already given to you by Mr. Brownlee and myself, I think it would be desirable from the standpoint of everyone concerned if you will indicate to me the questions which you would like to have answered. If it appears necessary to have a conference to deal with your problems, I shall be very pleased to meet with you and Mr. Bonfig in Chicago, Toronto or Ottawa. I regret that I cannot, at the moment, set a date at which I may leave the city because of certain commitments which I have made to deal with Court matters and problems arising before the Royal Commission which is considering patent, trade mark and copyright matters. I hope that within the next two weeks I shall know where I stand in these matters and I could then arrange a date to suit you and Mr. Bonfig. In the meantime, I assume that you will give consideration to the suggestions that I have made above.

I enclose an extra copy of this letter so that you may send it to Mr. Bonfig for his consideration.

Yours very truly,

G:C "E. G. Gowling"

November 1, 1954.

Messrs. Bonfig
Miguel
Wright

I have just had a call from Mr. Watkins of the W. R. Watkins Company, Ltd., Toronto, Canada. He said that he had explored with his solicitor the possibility of importing radio receivers without a patent pool license.

"Coincidentally" his solicitor happens to be the solicitor for the patent pool and for Philco and he was advised that he would be served with an interim injunction within a few days after importing the sets. This solicitor is Mr. Dowling of McTavish & Dowling, Ottawa.

He added that he had additional information with respect to at least two other companies who had the facilities and would be interested in manufacturing sets for us in Canada and he was anxious to come down and talk to us at our convenience on this subject.

I told him that he would hear further from Mr. Miguel or Mr. Bonfig.

Sam Kaplan

SK:vb

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1374.

February 15, 1955.

McMullen Supplies, Limited
433 Laurier Ave., West

Att: Mr. H. J. McNulty, President

Gentlemen:

We acknowledge with thanks receipt of your letter dated January 29, enquiring about the possibility of distributing Zenith products in Eastern Ontario and Western Quebec.

It is a fact that Zenith has not been established anywhere in Canada for many years, despite the fact that we have been hungrily watching the successful development of television in the Canadian market. The main reason why we have been out of the Canadian market is the fact that we have not been licensed by the Patent Pool—a situation that is covered in our suit for triple damages against RCA in the Chicago Federal District Court under the U. S. Anti-Monopoly laws. Also, anyone in Canada who may have imported Zenith sets and resold them there would be vulnerable to all kinds of threats and possible damage suits by the Pool.

Under the circumstances, we regret that we will have to defer action in launching our products in the Canadian market until this situation is more clearly defined.

Thanking you for writing to us, and for your interest in Zenith.

Very truly yours,

J. A. Miguel, Jr./b

Air-Mail

(Letterhead of McMullen Supplies, Limited,
Ottawa 4, Ont.)

January 29, 1955.

Zenith Radio Corporation,
6001 Dickens Ave.,
Chicago 39, Illinois,
U. S. A.

Dear Sirs:

We decided within the past few days to discontinue the exclusive distribution of Admiral Products in our territory. We are, therefore, open for consideration of Distributor Franchises covering the lines previously handled by Admiral and additional lines.

We might tell you that our television sales alone approximated one-third of the entire industry sales in our area. Our company have been distributors of major appliances for the past twenty-five years, serving a well established and completely representative clientele throughout our district. The territory covered embraces Eastern Ontario and Western Quebec.

For information concerning our financial standing, references may be made to Dun & Bradstreet, Motor & Equipment Manufacturers' Association, New York, N. Y., or our Bankers, Royal Bank of Canada, Bank & Sparks Street, Ottawa, Ontario.

Should you be interested in a distributor franchise with a well established and well financed organization, we would appreciate having the opportunity of discussing with you, at an appropriate date, the type of franchise agreement you may have to offer for our consideration.

Yours very truly,

McMullen Supplies Limited.
H. J. McNulty,
President.

HJMcN:lk

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1202.

November 17, 1955

Marshall-Wells Canadian Companies
Winnipeg 2, Canada

Att: Mr. H. N. Addison, Merchandise Supervisor
Major Appliance Division

Gentlemen:

We acknowledge with thanks receipt of your letter dated November 4 inquiring about our plans to merchandise Zenith Radio Corporation products in Canada.

First let me say that, at present, we do not have a manufacturing plant or an arrangement with anyone to manufacture Zenith radios and television sets in Canada. Although there have been talks about our entering into the Canadian market via local manufacturing, this matter continues in abeyance.

On the other hand, we have always been interested in exporting our products for resale in Canada, and to this end we have had negotiations with several Canadian firms for distribution of these imported Zenith products on a, more or less, regional basis. However, we have not been successful in properly developing these distribution arrangements because of the threats and harassment received by the Canadian firms, who offered our products for resale and wanted to become distributors of Zenith radios and television sets, from the Canadian Radio Patents Limited. This pool has not yet seen fit to give Zenith a license to import goods into Canada, although there is nothing in the Canadian law which prohibits such imports. In the case of the Winnipeg area, for instance, we have had contact dating several years back with Consolidated Industries Limited who brought in for resale in the territory

a quantity of Zenith radios. We are hopeful that they will indicate interest soon on resumption of handling our line of Zenith radios and television sets based on importation of these products from us.

Such is the situation as it exists today with respect to the merchandising of Zenith radios and television sets in Canada. If you have any further thoughts which you feel may be of mutual interest in light of the present situation, we shall be glad, indeed, to receive your comments.

Thanking you for writing to us, and with all good wishes.

Very truly yours,

J. A. Miguel, Jr./m
Air Mail

Marshall-Wells Canadian Companies
Executive Offices
Winnipeg
2

November 4, 1955

Zenith Radio Corporation,
Export Department,
Chicago, Illinois,
U. S. A.

Dear Sirs:

A rumour is circulating in certain parts of our country that Zenith Radio Corporation is coming into Canada to merchandise their products. If you have any such plans and intend to merchandise your products through distributors we would like to have the opportunity of discussing the subject with you.

Yours truly,
H. N. Addison,
Merchandise Supervisor, Major Appliance Division.

HNAddison/L

(Letterhead of Pacific Goldsmiths, Vancouver 2, B. C.)

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1201.

Nov. 24th, 1955

Mr. J. A. Miguel,
Zenith Radio Corporation,
Chicago, Ill.

Dear Mr. Miguel:

This will acknowledge receipt of your letter dated Nov. 17th.

Now further to our telephone conversation, I wish to say that I am honored, and positively ready to participate as a Zenith distributor. I will make all my arrangements, both personal and financial before I come to Chicago. I will be ready to go ahead even to the extent of handling the major cities of Canada. I intend to devote my full time and best effort to this project.

Mr. Miguel, when I phoned you to ask you if there was any immediate urgency for me to come to Chicago, I am certain that you knew how anxious I was to complete this deal. We received your letter on Saturday, Nov. 19th. Needless to tell you, my wife Bette and I were very happy talking about it. I began to make arrangements to leave for Chicago the following Tuesday. On Sunday, the day after receiving your letter, my wife slipped on the walk in front of our house, had a nasty fall, and fractured her pelvis. She will need to be in the hospital for at least three weeks. Thank God, she does not need to be in a cast or have any traction treatment, however she will have to stay in bed. This was the real reason for my phone call to you. As you can easily understand this was quite a shock to me, we have two boys who need looking after, etc.

If the matter had required immediate action, after discussing it with my wife, we decided that we would hire special nurses and that I would leave for Chicago at once. I phoned you Tuesday, the third day after the accident, and I was ready to leave that night. When you assured me that there was no immediate urgency, I was happy. The doctors promise me that Bette will be fine, so I am very thankful.

When I am in Chicago to keep our appointment on Jan. 6th, I will have all my affairs in order. I wish to thank you for this opportunity.

Sincerely,

Sid Young.

pv

Confidential . . . . Personal

November 17, 1955

Mr. Sid Young
Pacific Goldsmiths
600 Robson Street
Vancouver 2, B. C.

Dear Mr. Young:

As promised you, I am writing to tell you that there has been a significant change in our policy about Canada, in view of which I see excellent possibility of our radio and television products being merchandised throughout Canada, and particularly in your area, based on the importation of these products directly from us.

We are hopeful that the patent situation as regards Canada may be improved, and that Zenith products can be handled without harrassment of Canadian Radio Patents Limited. While the pool has not yet seen fit to give Zenith a license to import goods into Canada, there is nothing in

the Canadian law which prohibits such imports, and our attorneys are hopeful that this situation can be broken.

While we will not be in a position to guarantee anybody handling our products against patent liability in Canada, we will, certainly, undertake to cooperate with anyone harrassed by the pool and render legal and other assistance to the end that the local distributor does not suffer loss as a result of his handling our merchandise.

I recall that you have been particularly interested in reaching a direct deal with the factory for the distribution in the Vancouver area. I have some recollection, also, of a remark you made to me about the formation of a new company with adequate operating capital to handle the distribution on a mutually satisfactory basis. If there is still interest in exploring the possibilities of a distributorship franchise in light of the present situation that still exists in Canada today—as explained in the foregoing—I would like very much to hear from you before we establish contact with other people.

If you are planning to come east soon, it may not be a bad idea to include a visit with us in Chicago to explore and discuss this matter further.

Looking forward to hearing from you promptly, and with kindest regards.

Sincerely,

J. A. Miguel, Jr./m
Air Mail

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1245.

December 8, 1955

Mr. L. G. Groom, Industrial Manager
Southern Canada Power Company, Limited
355 St. James St. West
Montreal 1, Canada

Dear Mr. Groom:

I was out of the country last week and that is why I was not able to acknowledge, until now, your letter of November 28.

There are no new developments to report to you as regards a policy on the part of our company to establish manufacturing facilities in Canada. The matter continues in abeyance, and at this time I hesitate to guess when our management will decide on that project, particularly in the face of the problem we have had with the Canadian Radio Patents Pool, who has harassed and threatened a number of Canadian firms who imported Zenith radios and television sets for resale in Canada.

If and when our company decides to enter into the Canadian market manufacturing-wise and a policy is established, you can be sure of hearing from us at that time.

Many thanks for your interest and for writing to us. Best regards.

Sincerely,

J. A. Miguel, Jr./m

Air Mail

(Letterhead of Southern Canada Power Company, Limited, Montreal 1, Canada.)

November 28, 1955.

Zenith Radio Corporation,
6001 West Dickens Avenue,
Chicago, Illinois,
U. S. A.

Attention: Mr. J. A. Miguel, Jr.,
Manager, International Division.

Dear Mr. Miguel,

It is now two years since we last discussed the Zenith plans for a Canadian Manufacturing Branch. When Mr. Bonfig was last here, your Principal's policy was to arrange manufacturing facilities with an existing Canadian company. However, I understand that this did not work out, and since Mr. Bonfig has now resigned from your Organization, I was wondering if you could enlighten me on any recent developments in this regard.

Through the joint efforts of the Town and Commercial Leaseholds Limited, we have just completed the erection of a modern 40,000 square foot factory in Granby, Quebec. There is a great abundance of very reasonably priced labour with many trades which you would require for any Canadian manufacturing set-up. This factory building may be secured on a direct rental or long-term purchase lease basis, as you may desire, and I am positive that you would benefit considerably from establishing a manufacturing branch in Canada at this time.

We are prepared to extend you every possible assistance, and should this be under active consideration, I would be pleased to journey to Chicago for further detailed discussions. If you are interested in securing further details

regarding this building, and information pertaining to Granby, I shall forward same to you upon request.

In the meantime, I should like to hear from you again, and look forward to the day when the Zenith Radio Corporation will be manufacturing in the industrial area of the Southern Canada Power Company.

Kindest regards.

Sincerely,

L. G. Groom,
Industrial Manager.

LGG:s

(Stamp) Zenith-Rauland Cross-Claimants' Exhibit 1376.

(Letterhead of R. W. Alford & Co. Ltd.,
Kingston, Ontario, Canada.)

April 12th, 1956.

Zenith Radio Corporation,
6001 Dixon Ave.,
Chicago 39, Ill.

Dear Sirs:

We acknowledge, with thanks, your letter dated April 6th concerning our inquiry regarding the possible import of Zenith products.

From your letter, we would gather that there is a certain element of risk in our so doing, and we would suggest that until this situation has been cleared up the matter should be dropped at least by us.

As soon the difficulties have been solved satisfactorily, we would certainly be interested in discussing this matter further.

In the meantime, please accept our thanks for your co-operation, and we remain,

Cordially yours,

R. W. Alford & Co. Ltd.,
R. W. Alford.

RWA/eb

April 6, 1956.

R. W. Alford & Co., Ltd.,
121 Princess Street,
Kingston, Ontario, Canada.

Gentlemen:

We acknowledge with thanks receipt of your letter dated April 2 and complying with your request, we are pleased to send you descriptive and illustrated specification sheets on our current lines of radios, phonographs, high-fidelity sets, and television receivers.

For your information, we have been carrying on negotiations with a number of firms in Toronto in the hope that we could reach an understanding to do some business with Zenith products for distribution in Ontario. To date, however, no arrangement or understanding has, as yet, been consummated.

In connection with the possible handling of our products —that is, importing them for resale in your area—we want you to know about the patent problem. We are hopeful that the patent situation as regards Canada may be improved and that Zenith products can be handled without harrassment of Canadian Radio Patents Limited. While the Pool has not yet seen fit to give Zenith a license to import goods into Canada, there is nothing in the Canadian law which prohibits such imports, and our attorneys are hopeful that the situation can be broken.

While we will not be in a position to guarantee you or anybody else handling our products against patent liability in Canada, we will certainly undertake to cooperate with our customer and render legal and other assistance to the end that our customer does not suffer loss as a result of handling our merchandise.

We realize that this is not an altogether satisfactory arrangement, but we are determined to become an important factor in the Canadian market, and we assure you that we will be glad to work very closely with whomever we have chosen as a distributor who may be in a position in developing some business for us under the conditions that exist today in Canada.

Answering your specific query, our socket powered sets are not Hydro approved. Our all-transistor pocket radio—Model Royal "500"—as it operates exclusively from batteries, does not require, of course a CSA approval.

The latest information we have on the importation of radios and TV sets into Canada is as follows:

> The customs' duty is 20%, sales tax 10%, and excise tax 15%; the latter applied on the cost of the goods plus the 20% duty. Excluding transportation and insurance, which will range anywhere from 3 to 6% of the cost, you can figure on the duty, excise and sales taxes to be 50% of your f. o. b. factory cost.

Enclosed herewith are copies of our latest confidential export distributor's price lists. In the case of shipments to Canada, domestic packing will suffice and, of course, there will be no additional charge for this. You will note that our prices are subject to a 5% cash discount on payment cash-in-advance or through an irrevocable letter of credit in U. S. funds. We can handle also shipments on a sight draft bill of lading attached basis, but then, the 5% cash discount will not apply.

We await with interest your further advice.

Very truly yours,

J. A. Miguel, Jr./m
Enclosures

Air Mail

(Letterhead of R. W. Alford & Co. Ltd.,
Kingston, Ontario, Canada.)

April 2nd, 1956.

Zenith Company,
Chicago 39, Ill.
U. S. A.

Dear Sirs:

We would be interested in receiving all information concerning your portable radio line particularly your Royal model 500.

In your reply, please be kind enough to state fob prices, and on any a. c. models please state whether or not these are approved by the Ontario Hydro Electric Power Commission for use in Ontario.

You no doubt have the information regarding custom duties, and, if so, please include this information also.

Any purchases made by us will be made on a fob basis, a sight draft, bill of lading, attached if you wish.

Yours very truly,

R. W. Alford & Co. Ltd.,
(Signature illegible),
for R. W. Alford.

RWA/eb

DEFENDANT'S EXHIBIT NO. 180.

This Agreement made between the Hazeltine Corporation, a corporation of the State of Delaware, one of the United States of America, having its Registered Office at 15 Exchange Place, Jersey City, United States of America, hereinafter referred to as the Hazeltine Corporation which expression shall be deemed to include it's successors and assigns of the one part and Neutrodyne Proprietary Limited, a Company registered under the laws of the State of Victoria, Commonwealth of Australia, and having it's Registered Office at 440 Little Collins Street, Melbourne in the State of Victoria, aforesaid, hereinafter referred to as the Neutrodyne Company which expression shall be deemed to include it's successories and assigns of the other part:

It Is Hereby Agreed As Follows:

(1) The Hazeltine Corporation agrees to enter into an Agreement with the Neutrodyne Company, in accordance with the draft of such Agreement, a copy of which is set out in the Schedule appearing hereunder.

(2) The consideration for the Hazeltine Corporation agreeing to enter into the Agreement hereinbefore referred to, shall be the transfer to the Hazeltine Corporation of Sixteen Thousand fully paid up shares of One Pound each in the Neutrodyne Company.

Schedule Above Referred to.

Agreement.

"This Agreement made between the Hazeltine Corporation, a corporation of the State of Delaware, one of the United States of America, having its registered office at 15 Exchange Place, Jersey City, United

States of America hereinafter referred to as the Hazeltine Corporation which expression shall be deemed to include its successors and assigns of the One Part and Neutrodyne Proprietary Limited, a Company registered under the laws of the State of Victoria, Commonwealth of Australia, and having its registered office at 440 Little Collins Street, Melbourne, C. I., in the State of Victoria, aforesaid, hereinafter referred to as the Neutrodyne Company which expression shall be deemed to include its successories and assigns of the Other Part.

Whereas the Hazeltine Corporation are the owners of certain inventions relating to Radio Receiving Circuits and Apparatus and are registered as the proprietors of the following letters Patents in the Commonwealth of Australia

No. 19,999 dated February 20, 1924, granted to Hazeltine Corporation, in respect of an invention entitled: "Means for Neutralising Capacity Coupling".

No. 20,000 dated April 7, 1924, granted to Hazeltine Corporation in respect of an invention entitled: "Means for Eliminating Magnetic Coupling Between Coils".

No. 23,308 dated February 27, 1925, granted to Hazeltine Corporation, in respect of an invention entitled: "Wave Signalling System".

No. 23,802 dated April 3, 1926, granted to Hazeltine Corporation, in respect of an invention entitled: "Uni-Control Signalling System".

No. 24,489 dated September 22, 1924, granted to Hazeltine Corporation, in respect of an invention entitled: "Method and Means for Eliminating Capacitive Coupling".

No. 1,947 dated May 26, 1925, granted to Hazeltine Corporation, in respect of an invention entitled: "Radio Receiving System".

And Whereas the Hazeltine Corporation has agreed to give and to grant unto the Neutrodyne Company the sole and exclusive right and authority to grant non-exclusive, non-divisible, non-transferable, limited licenses under the above recited letters Patents to individuals, firms, partnerships and companies now engaged in, or to be engaged in trading or dealing in and/or in the manufacture of radio receivers in the Commonwealth of Australia.

Now Therefore Know All Men by these presents that in pursuance of the said agreement the Hazeltine Corporation doth hereby give and grant unto the Neutrodyne Company the sole and exclusive right and authority to grant to individuals, firms, partnerships and companies now engaged in, or to be engaged in trading or dealing in and/or in the manufacture of radio receivers in the Commonwealth of Australia non-exclusive, non-divisible, non-transferable, limited licenses under the above recited Letters Patents subject to the following terms and conditions, that is to say—

1. The Neutrodyne Company hereby covenants to grant licenses only to such individuals, firms, partnerships and companies as are deemed by the Neutrodyne Company to be solvent and financially responsible and

2. The Neutrodyne Company shall grant any and all licenses subject to all and every of the requirements, restrictions and provisions that are included in the standard printed license adopted by the Hazeltine Corporation in the granting of licenses for the United States of America, a copy of which standard printed licenses is attached hereto and marked "Schedule One", except that no license shall be granted for a royalty less than five per centum (5%) and that the minimum annual guarantee provisions may at the option of the Neutrodyne Company, be omitted.

3. That all rights and authority hereby granted by the Hazeltine Corporation to the Neutrodyne Company or any or all of them are subject to withdrawal or cancellation by the Hazeltine Corporation Upon sixty (60) days notice in writing to be served by the Hazeltine Corporation upon the Neutrodyne Company by hand or in the ordinary course of post, but such notice of withdrawal or cancellation shall not affect, vitiate or determine any license or licenses which may have been granted by the Neutrodyne Company during the continuance of this agreement provided that such licenses are in accordance with the terms of this agreement.

4. It is hereby covenanted and agreed by and between the parties hereto that this agreement is to be construed as and may, if desired, by the Neutrodyne Company be registered at the Patents Office of the Commonwealth of Australia as a matter affecting the proprietor-ship of the Letters Patents above recited.

5. And it is hereby further covenanted and agreed by and between the parties hereto that this agreement shall apply and extend to and shall include all or any Letters Patents which may be hereafter granted in the Commonwealth of Australia to the Hazeltine Corporation or its representative or representatives or which may be hereafter acquired by or on behalf of the Hazeltine Corporation in respect of radio receiving circuits or apparatus so far as the Commonwealth of Australia is concerned.

In Witness Whereof Etc."

In Witness Whereof this instrument has been executed on behalf of and under the Seal of the Hazeltine Corpora-

tion by it's duly authorized officer with the approval of it's Board of Directors, this 11th day of September, 1928.

Hazeltine Corporation.
By (illegible),
President.

(Seal)
Attest—
(illegible),
Secretary.

The Common Seal of Neutrodyne Proprietary Limited has been hereunto affixed at Melbourne in the State of Victoria, by order of the Board of Directors, this 19th day of October 1928.

Neutrodyne Proprietary Limited.
Louis Abrahams,
Director.
S. Wright,
(Seal) *Secretary.*

DEFENDANT'S EXHIBIT NO. 181.

Dated 11th August, 1933.

Amalgamated Wireless (Australasia) Limited

—with—

Standard Telephones and Cables (Australasia) Limited.

—Agreement—

Norton Smith & Co.
Solicitors
Sydney.

An Agreement made the eleventh day of August One thousand nine hundred and thirty-three Between Amalgamated Wireless (Australasia) Limited a Company duly incorporated under the Companies Acts of New South Wales and having its registered office at Number 47 York Street City of Sydney (hereinafter referred to as "A.W.A.") of the one part and Standard Telephones and Cables (Australasia) Limited a Company duly incorporated under the provisions of the Companies Acts of New South Wales and having its registered office at Number 71 York Street aforesaid (hereinafter referred to as "Standard") of the other part Whereas A. W. A. owns or controls and will continue for the term of this Agreement to own or control for Australasia numerous Patents relating to the field of radio purposes such rights including the right to grant sub-licenses in Australasia in the field of radio purposes under the Patents of Marconi's Wireless Telegraph Company Limited of London General Electric Company of America Radio Corporation of America and Telefunken Gesellschaft fur Drahtlose Telegraphie, M.B.H.

of Germany And Whereas Standard owns or controls and will continue for the term of this Agreement to own or control for Australasia certain Patents in the field of radio purposes including the right to grant sub-licenses in Australasia under patents in the field of radio purposes owned by Standard Telephones and Cables London and its associated companies the International Telephone and Telegraph Corporation (a Delaware Corporation) the Western Electric Company (a New York Corporation) and the Electrical Research Products Incorporated (a Delaware Corporation) And Whereas Standard has already entered into certain Agreements granting certain parties licenses to use the patent rights controlled by Standard And Whereas the parties hereto have agreed that as the inventions covered by the patents owned or controlled by them respectively are used in Australasia it would be in their interests to enter into an arrangement whereby a License could be granted to parties in Australasia giving such parties the right to use the inventions covered by the patents owned or controlled by the parties hereto for the manufacture use and sale of Broadcast Receivers Now It Is Hereby Agreed between the parties hereto as follows:

1. A Company shall be registered under the provisions of the Companies Acts of New South Wales to be known as "Australian Radio Technical Services and Patents Company Limited" (hereinafter referred to as "A. R. T. S. P.") with a capital of Ten thousand pounds (£10,000) divided into Ten thousand (10,000) shares of One Pound each.

2. The objects of A. R. T. S. P. shall be expressed in its Memorandum of Association to include (inter alia):

(a) To arrange with the parties hereto for the grant to the Company of the exclusive right to grant or to arrange for the grant of sub-licenses in Australasia entitling the holders thereof to manufac-

ture use and sell Broadcast Receivers embodying the inventions covered by the patents owned and/or controlled by such parties respectively.

(b) The granting in Australasia of sob-licenses to persons firms and corporations entitling them to manufacture use and/or sell Broadcast Receivers embodying the inventions or any of the inventions covered by any patents and on such terms and subject to such conditions as A. R. T. S. P. shall think proper.

(c) The furnishing of technical advice to manufacturers for the development and production of broadcast receivers.

(d) The indemnifying of licensees holding sub-licenses from A. R. T. S. P. against claims made upon them by third persons for using the inventions covered by the patents aforesaid or other patents in connection with broadcast receivers manufactured used or sold by such licensees.

(e) The granting of assistance pecuniary or otherwise in the defense of actions brought by third parties against persons holding sub-licenses from A. R. T. S. P.

(f) Such other objects as may be agreed upon by the parties.

3. The first issue of shares by A. R. T. S. P. shall be Ten thousand (10,000) shares of One pound each of which Five thousand nine hundred and ninety-six (5,996) shall be taken up and paid for by A. W. A. and shall be called "A" Shares and Three thousand nine hundred and ninety-seven (3,997) shall be taken up and paid for by Standard and shall be called "B" Shares. The parties hereto shall continue to hold shares in the Company in the same propor-

tions notwithstanding whatever other shares may be issued at any time and provision shall be made in the Memorandum and Articles of Association of A. R. T. S. P. accordingly.

4. The Memorandum and Articles of Association of A. R. T. S. P. shall be subscribed to by seven persons of whom four shall be nominees of A. W. A. and shall hold "A" Shares and three nomnees of Standard and shall hold "B" Shares. Apart from the shares issued to such subscribers and the shares to be issued to the parties hereto as provided in the last preceding clause no shares shall be issued by A. R. T. S. P. to any person firm or company unless and until the approval of any proposed issue shall have been given by shareholders who hold in the aggregate at least three-fourths of its issued share capital.

5. A. R. T. S. P. shall have five Directors and the Articles of Association of that Company shall provide that three of such Directors shall from time to time be nominated by A. W. A. and two shall be nominated by Standard.

6. The Memorandum and Articles of Association of A. R. T. S. P. shall be approved by A. W. A. and Standard respectively prior to its incorporation.

7. As soon as practicable after the incorporation of A. R. T. S. P. the parties shall grant to A. R. T. S. P. under the several patents owned or controlled by them such licenses and/or sub-licenses as may be necessary to enable A. R. T. S. P. exclusively to issue or to arrange for the issue of sub-licenses for the manufacture sale and use of broadcast receivers.

8. Unless and until otherwise agreed to by the parties hereto licenses or sub-licenses that shall be granted to A. R. T. S. P. by A. W. A. and Standard pursuant to the provisions of this Agreement shall include only licenses or sub-licenses that confer the right to use for the purpose

aforesaid only the inventions covered by the said Patents that relate to the field of radio broadcast receivers and shall not include the right to manufacture use and/or vend such receivers combined with gramophones.

9. Each of the parties hereto shall nominate one of their technical staff to join the technical staff of A. R. T. S. P. which Company shall pay to the parties hereto for the services of such officer an amount to be agreed upon.

10. A. R. T. S. P. shall as soon as reasonably possible after incorporation issue non-exclusive sub-licenses for the territory field and period covered by this Agreement to all applicants approved of by its Board of Directors and the forms of such sub-licenses and any modifications thereof shall be approved of by the parties hereto.

11. All net revenue from sub-licenses issued by A. R. T. S. P. to persons firms or corporations in Australia received by it after incorporation and prior to the first day of March One thousand nine hundred and thirty-four and all net revenue from sub-licenses issued to persons firms and corporations in New Zealand received by it prior to the First day of June One thousand nine hundred and thirty-four shall be held by A. R. T. S. P. as trustee for Standard and for such other person firm or corporation (if any) that may confer on A. R. T. S. P. rights similar to the rights herein contracted to be conferred upon it by the parties hereto. On and after the dates aforesaid all monies received by A. R. T. S. P. from its sub-licensees in Australasia and all monies that may be paid to either of the parties hereto by Licensees or sub-Licensees from either of them in respect of licenses or sub-licenses issued covering broadcast receivers shall during the currency of this Agreement belong to A. R. T. S. P.

12. Save as herein provided nothing herein contained shall affect the rights of either of the parties hereto under the Patents owned or controlled by such parties respectively.

13. Each of the parties hereto shall sign seal execute and deliver such licenses or other documents as may reasonably be required for carrying out the terms and conditions of this Agreement.

14. In the event of the infringement of any of the Patents owned or controlled by the parties hereto that fall within the scope of this Agreement no action shall be taken at the expense or for the benefit of A. R. T. S. P. against the parties infringing such patents except with the consent of both the parties hereto and in the event of the parties hereto agreeing to take action in connection with any such infringement then each of such parties shall render every assistance and execute all necessary documents in order to assist in the successful maintenance and prosecution of any such action provided that all costs damages and expenses of carrying on such action shall be borne by A. R. T. S. P. and any costs damages or compensation or other monies recovered in any such action shall accrue to the benefit of A. R. T. S. P.

15. The party owning or controlling the patent alleged to have been infringed may take action at its own expense and for its own benefit in the event of the other party failing to agree or declining or omitting to consent to any such action as aforesaid after having been requested in writing so to do.

16. Each of the parties hereto shall bear all expenses of applying for taking out maintaining and/or renewing patents owned or controlled by such party Provided However that whenever any patent shall appear to the party owning or controlling the same to be of no further commercial value such party may after having given written notice to the other of its intention so to do abandon such patent unless the other party shall within a reasonable time after receipt of such notice object to such proposed abandonment for some good and sufficient reason.

17. A. R. T. S. P. shall not without the consent of both

the parties hereto acquire any Patents by purchase or otherwise from third parties.

18. The operations of A. R. T. S. P. shall be restricted to the Commonwealth of Australia and the Dominion of New Zealand and to such territories as may from time to time be administered under mandate by either of these countries. Such Commmonwealth and Dominion and the territories administered by either of them as aforesaid are in this Agreement referred to as "Australasia".

19. Until the first day of March One thousand nine hundred and thirty-four each of the parties hereto shall be entitled to retain any revenue received by it from any person firm or corporation in respect of its particular patents as far as operations in Australia are concerned and until the thirty-first day of ..... May One thousand nine hundred and thirty-four as far as operations in New Zealand are concerned.

20. The term of this Agreement shall be five years from the fifteenth day of August One thousand nine hundred and thirty-three and thereafter from year to year subject to termination by twelve months' notice in writing from one of the parties hereto to the other and any license or sub-license to be granted by either of the parties hereto to A. R. T. S. P. shall be drawn in accordance with this term of this Agreement.

21. In the event of either of the parties hereto determining this Agreement by notice pursuant to Clause 20 hereof such party shall offer all the shares held by it in A. R. T. S. P. to the other party at a price to be mutually agreed upon or failing agreement at a price to be determined by arbitration in accordance with the Arbitration Act 1902.

22. If any question shall arise between the parties hereto as to the meaning or construction of this Agreement the same shall be construed according to the laws in force in the State of New South Wales.

23. Whenever the word "Patents" shall occur in this Agreement the same shall include Letters Patent Applica-

tions for Letters Patent and rights to or under Letters Patent Applications for Letters Patent and patented inventions taken out or applied for during the period of the Agreement. And the words "own or control" whenever used herein with reference to patents shall be deemed to include in all cases the right to issue licenses or sub-licenses and to enforce all rights conferred by the patents under which such licenses or sub-licenses are granted in the manner and to the extent contemplated by this Agreement. And the words "Broadcast Receivers" wherever used herein shall mean broadcast receiving apparatus for the reception of sound broadcast for the public by wireless but only for private or domestic use or for the purpose of lectures or demonstration in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payment) and not otherwise.

24. A. W. A. shall subject to the control of the Directors of A. R. T. S. P. carry on the affairs of A. R. T. S. P. at such remuneration and subject to such conditions as such Directors may from time to time determine.

In Witness whereof the parties hereto have duly executed these presents the day and year first hereinbefore written.

Signed for and on behalf of Amalgamated Wirless (Australasia) Limited by:
(Sgd.) L. A. Hooke
duly authorised in that behalf
in the presence of:
(Sgd.) R. A. Hack.

(Sgd.) L. A. Hooke

Signed for and on behalf of Standard Telephones and Cables (Australasia) Limited by:
(Sgd.) H. C. Trenam
duly authorized in that behalf
in the presence of:
(Sgd.) J. F. Wilson

(Sgd.) H.C.Trenam

DEFENDANT'S EXHIBIT NO. 182.

Dated 12th April 1934

Between

Australian Radio Technical Services & Patents Co Limited

And

Neutrodyne Proprietary Ltd.

This Deed made this Twelfth day of April One thousand nine hundred and thirty four Between Australian Radio Technical Services and Patents Company Limited (hereinafter called "A. R. T. S.") of the first part And Neutrodyne Proprietary Limited (hereinafter referred to as "Neutrodyne") of the second part, Whereby it is hereby agreed as follows:

1. A. R. T. S. undertakes that it has the exclusive right to grant licenses or sub-licenses for the purposes of manufacture sale and use of broadcast receivers as herein defined under all of the Australian and New Zealand present and future patented inventions which any of the Companies specified in the First Schedule hereto owns or controls and will continue to have such right during the currency of this agreement.

2. Neutrodyne undertakes that it has the exclusive right to grant licenses or sub-licenses for the purposes of manufacture sale and use of broadcast receivers as herein defined under all the Australian and New Zealand present and future patented inventions which either of the Companies specified in the Second Schedule hereto owns or controls Subject However to the rights of the parties whose names and addresses are set forth in the Third Schedule hereto

under agreements already entered into with them by Neutrodyne and Neutrodyne will subject as aforesaid continue to have such exclusive right during the currency of this Agreement and no person or company (including the registered proprietor) except those firms or companies mentioned in the Third Schedule hereto shall have the right to manufacture sell or use such broadcast receivers as herein defined employing such inventions without first obtaining a license from A. R. T. S.

3. A. R. T. S. agrees that it will pay to Neutrodyne royalties at the rate provided in Clause 9 hereof in respect of every broadcast reeciver as herein defined manufactured and/or sold in the Commonwealth of Australia or Dominion of New Zealand by any of the Companies mentioned in the First Schedule hereto or by any representative or subsidiary of any of such companies or under any license granted or to be granted under the Australian or New Zealand patents owned or controlled by any of such companies irrespective of whether such license is granted by the registered proprietor or its licensees.

4. Neutrodyne agrees that it will pay to A. R. T. S. the sum of Six shillings (6/-) in respect of every broadcast receiver as herein defined manufactured and/or sold in the Commonwealth of Australia or Dominion of New Zealand by either of the companies mentioned in the Second Schedule hereto or by any representative or subsidiary of either of such Companies or under any license granted or to be granted under the Australian or New Zealand patents owned or controlled by either of such Companies irrespective of whether such license is granted by the registered proprietor or its licensees, save and except in respect of broadcast receivers as herein defined manufactured under those licenses already granted to the persons firms or companies mentioned in the Third Schedule hereto and save and except in respect of broadcast receivers as herein defined manu-

factured under license which may be granted by A. R. T. S. under the power conferred upon it granted under this Agreement.

5. In consideration of the premises and of the payment to Neutrodyne of the royalties hereinafter mentioned in manner hereinafter provided Neutrodyne except in so far as it may be unable to do so by reason of the terms conditions agreements and covenants expressed and contained in existing agreements made between Neutrodyne and the other parties whose names and addresses are set forth in the Third Schedule hereto hereby grants to A. R. T. S. for the term herein mentioned but subject as hereinafter provided the otherwise exclusive right and authority to grant sub-licenses to third parties (hereinafter called "Licensees") to use manufacture and sell in the Commonwealth of Australia and/or Dominion of New Zealand broadcast receivers as herein defined the subject of the present and future Letters Patent owned or controlled by it conditionally on such sub-licenses being non-assignable by A. R. T. S. or by its Licensees.

6. For the purposes of and during the continuance of this Agreement Neutrodyne hereby irrevocably appoints A. R. T. S. its Attorney in its name to effectually execute sign seal and deliver all such documents deeds and instruments and to do and execute all such matters acts and things as may be necessary to effectually grant the said licenses or sub-licenses to Licensees as aforesaid subject as herein provided.

7. A. R. T. S. shall not grant licenses or sub-licenses to use any patents relating to broacast receivers as herein defined unless such licenses or sub-licenses shall include the right to use all the Letters Patent owned or controlled by all the parties hereto.

8. The term of this agreement shall be four years and nine months commencing on the Second day of April, One thousand nine hundred and thirty-four.

9. A. R. T. S. shall pay to Neutrodyne in manner hereinafter provided royalties in respect of all licenses issued by A. R. T. S. calculated as follows: viz: The sum of three shilling (3/-) in respect of each and every radio broadcast receiver as herein defined upon which a royalty shall be received by or on account of A. R. T. S. in each and every year commencing on the Second day of April, One thousand nine hundred and thirtyfour during the said term up to and including 100,000 in each year and on each broadcast receiver as herein defined in excess of one hundred thousand (100,000) in each year up to and including one hundred and twentyfive thousand (125,000) in each year a royalty of Two shillings and ninepence (2/9d) and on each broadcast receiver as herein defined in excess of One hundred and twentyfive thousand (125,000) in each year a royalty of Two shillings and sixpence (2/6d). Such royalties shall be paid not later than the last day of the month next succeeding the month during which the said royalties shall be received by or on account of A. R. T. S. and A. R. T. S. shall with each payment of royalties as aforesaid furnish to Neutrodyne or as it may direct a complete and detailed statement showing the manner in which such royalties have been made up and calculated and also setting forth in particular the quantity of broadcast receivers as herein defined on which royalties have been received by or on account of A. R. T. S. the name and address of each person company or corporation paying such royalties and the quantity of broadcast receivers as herein defined on which each such person company or corporation has paid royalties. A. R. T. S. shall at all times during the continuance of said term keep and maintain full and complete records of all royalties paid and payable to or on account of or by A. R. T. S. as aforesaid. Neutrodyne by a member or members of the Institute of Chartered Accountants of

Australia appointed for the purpose shall have the right from time to time during the said term and for a period of six months thereafter to inspect examine and take extracts and copies of all records and books of account kept and maintained by A. R. T. S. as hereinbefore provided.

10. During the said term and subject to as hereinafter expressly provided A. R. T. S. shall have the right to take and institute all such actions suits or other legal proceedings as may be necessary to prevent the continuance of or to prevent the infringement within Australia and New Zealand of any patent right or interest owned or controlled by Neutrodyne and being the subject of this agreement Provided Always that Neutrodyne shall contribtue a proportion of all reasonable and proper legal costs charges and expenses occasioned by or arising out of such actions suits and legal proceedings as aforesaid, such proportion shall be equal to the proportion of Neutrodyne's royalty income from licensing of broadcast receivers under this agreement compared with A. R. T. S. royalty income from licensing of broadcast receivers under this agreement at the date of commencement of such legal proceedings and for the purpose of this clause Neutrodyne hereby irrevocably during the period of this agreement appoints A. R. T. S. its Attorney in its name to take and institute all such action suits and proceedings Provided Further that in respect of any such actions suits or proceedings Neutrodyne shall have the right to veto the appointment of any Counsel or Solicitor to be briefed or retained in connection therewith and all processes and pleadings to be used in connection therewith shall if so required by Neutrodyne be in such form and shall contain such statement of fact and otherwise as one or more Counsel nominated or appointed by Neutrodyne at its own expense for that purpose shall require. Provided Further that Neutrodyne shall have the right to veto institution of infringement actions in respect

of Neutrodyne's patents if the number of such actions would but for such veto exceed the proportion of one Neutrodyne infringement action to two other infringement actions on the other patents owned or controlled by A. R. T. S.

11. Neutrodyne shall give to A. R. T. S. free of all costs and expenses all reasonable proper and necessary information and assistance relating to its patent rights and interests including all service information emanating from the Hazeltine Corporation of the State of New York U. S. A. which may be available from time to time for use of its licensees and such reasonable information and assistance as A. R. T. S. may require in connection with any suit action or proceeding relating thereto. Any service bulletins or circulars based on information emanating from Neutrodyne or the said Hazeltine Corporation which may be issued by A. R. T. C. shall clearly indicate their source or origin.

12. If in any yearly period during the term of this agreement the amount of royalties payable by A. R. T. S. to Neutrodyne in respect of the territory of Australia (but not including New Zealand) shall (not readable on original exhibit) sum of Ten thousand pounds (£10,000) but shall not amount to the sum of Fifteen thousand pounds (£15,000) then A. R. T. S. shall (subject to the limitation hereinafter mentioned) pay to Neutrodyne in respect of each such yearly period a further payment of an amount sufficient to bring the amount payable to Neutrodyne up to the sum of Fifteen thousand pounds (£15,000) for each such yearly period Provided However that such further payments shall not exceed the sum of Two thousand five hundred pounds (£2,500) in respect of any such yearly period Provided Further that in the event of A. R. T. S. obtaining and producing for the inspection of Neutrodyne a Power of Attorney or other document duly executed by the International General Electric Company Incorporated which will enable A. R. T. S. to effectively commence and prosecute actions

for infringement of any three of the following Patents, namely, Patents Nos. 10999/27, 11616/28 and 14555/28, and 26192/30 Then as from the date of the production of such Power of Attorney or other document to Neutrodyne and during such period as it shall remain in operation no such payments as above-mentioned shall be payable to Neutrodyne.

The yearly period above-mentioned shall be calculated from the Second day of April in each year during the term of this Agreement until the First day of April in the following year and the first yearly period shall commence on the Second Day of April, One thousand nine hundred and thirtyfour. In respect of the nine months period commencing on the Second day of April, One thousand nine hundred and thirtyeight and ending on the Thirtyfirst day of December, One thousand nine hundred and thirtyeight the respective sums of money above-mentioned shall be reduced proportionately (that is, by twentyfive percent).

13. Every license or sub-license granted by A. R. T. S. hereunder shall contain an obligation binding the licensee to set forth in a monthly royalty return the quantity of broadcast receivers as herein defined which the licensee has manufactured or sold under such license or sub-license.

14. A. R. T. S. agrees in so as it is within its power that legal action shall be instituted and prosecuted with due diligence against any person or company infringing any of the Letters Patent owned or controlled by the companies specified in the First and Second Schedules hereto. If, however, Neutrodyne considers that legal proceedings should be brought against alleged infringers of any of its patents and A. R. T. S. does not take such legal proceedings then Neutrodyne may take such proceedings at its own expense and shall be entitled to collect costs damages and royalties both past and future from such alleged infringer for its sole use and benefit.

15. A. R. T. S. agrees to take prompt steps and shall do everything necessary to enforce payment by any licensee of royalties due under any license issued by it in pursuance of this Agreement.

16. Notwithstanding anything contained herein all licenses to manufacture and sell under patents granted or greed to be granted herein shall cease immediately on the termination of this Agreement.

17. Neutrodyne undertakes and agrees that it will use its best endeavours to ensure that the persons and companies whose names are set out in the Third Schedule hereto to whom licenses and sublicenses have been granted by it in respect of the manufacture use or sale of the inventions the subject of patent rights or interests owned or controlled by it shall accept from A. R. T. S. a license or sub-license as the case may be in respect of the said inventions and upon and subject to the terms and conditions expressed and set forth in the A. R. T. S. License Agreement No. 1 with such modifications or variations as are embodied in the Fourth Schedule hereto Provided Always that in the event of any such person or company whose name appears in the Third Schedule hereto refusing to accept the said A. R. T. S. License Agreement then Neutrodyne shall during the period of such refusal pay to A. R. T. S. Sixty percent of the License fees or royalties received by Neutrodyne from such person or company Provided However that in the event of it becoming necessary for A. R. T. S. to institute an action for infringement in respect of any patents owned or controlled by A. R. T. S. against any person or company whose name appears in the Fifth Schedule hereto then Neutrodyne shall pay to A. R. T. S. Fifty per cent of all proper and reasonable legal expenses of such infringement action.

18. A. R. T. S. shall simultaneously with the execution of this Agreement hand to Neutrodyne written notices ac-

cepting the offers to execute A. R. T. S. license agreements with the modifications or variations set out in the Fourth Schedule hereto which have been made or are warranted by Neutrodyne to have been made to A. R. T. S. by any of the persons firms or companies whose names appear in the Fifth Schedule hereto and A. R. T. S. shall enter into such modified or varied license agreements with all such persons firms and companies as soon as possible thereafter.

19. It is agreed that immediately upon the execution of this agreement:

(a) The actions for infringements of patents instituted by Neutrodyne against New System Telephones Pty. Ltd., Airzone (1931) Ltd., C. Plowman and A. G. Healing Ltd. shall be discontinued upon the terms that each party to such respective actions shall pay its own costs.

(b) Neutrodyne shall withdraw its support both technical and financial to the defence of Stromberg-Carlson (A/asia) Ltd. in the action instituted against such Company by Standard Telephones and Cables (A/asia) Ltd. in the Supreme Court of New South Wales.

(c) The petition for revocation of patents instituted in the Supreme Court of Victoria by Electricity Meter Manufacturing Co. Ltd., New System Telephones Pty. Ltd., A. G. Healing Ltd., and Airzone (1931) Ltd. in respect of certain patents of Neutrodyne shall be discontinued upon the terms that each party to such Petition shall bear its own costs.

(d) The opposition to the amendments of Patent No. 8545/32 applied for by Neutrodyne shall be withdrawn each party to pay its own costs and A. R. T. S. hereby undertakes to use its best en-

deavours to procure the withdrawal of such opposition.

(e) A. R. T. S. shall arrange to the satisfaction of Neutrodyne that the respective parties to the actions mentioned in sub-clause (a) hereof and the parties to the Petition mentioned in sub-clause (c) hereof shall consent to the discontinuance of the said actions and petition upon the terms that each party to such respective actions and petition shall pay its own costs.

20. Whereas the present Licenses of A. R. T. S. have prior to the Second day of April One thousand nine hundred and thirty-four infringed certain patents owned and controlled by Neutrodyne and A. R. T. S. has agreed to pay to Neutrodyne damages for such infringements and the present Licensees of Neutrodyne have prior to the said date infringed certain patents owned or controlled by A. R. T. S. and Neutrodyne has agreed to pay to A. R. T. S. damages for such infringements Now It Is Agreed that the difference in the amounts of such damages respectively shall be settled by the payment to Neutrodyne by A. R. T. S. of the sum of Two thousand five hundred pounds (£2500) such payment to be made in five equal yearly instalments of Five hundred pounds (£500) the first payment to be made on the Thirtieth day of June One thousand nine hundred and thirty-four.

21. Notwithstanding anything herein contained A. R. T. S. and Neutrodyne reserve the right under their existing license agreemnts to collect all moneys and/or royalties payable to them for the use of their patents prior to the Thirty-first day of March One thousand nine hundred and thirty-four whether such moneys are payable before or after such date.

22. Neutrodyne will at its own cost render such service

to A. R. T. S. in the States of Victoria and South Australia as shall be agreed upon as being for the mutual benefit of the parties hereto and A. R. T. S. shall at its own cost render similar service in the other States of the Commonwealth and New Zealand. Neutrodyne shall also refund to A. R. T. S. a proportion of the cost to be incurred by A. R. T. S. in carrying out its obligations to issue licenses and collect royalties from licensees in New Zealand. Such proportion shall be equal to the proportion of gross royalty income which shall be received by Neutrodyne for the territory of New Zealand compared with the gross royalty income which shall be received by A. R. T. S. in respect of the same territory.

23. A. R. T. S. shall at all times during the currency of this Agreement use its best endeavours to exploit for the profit and benefit of the parties hereto the patent rights and interests owned or controlled by such parties and will do everything necessary to grant as many licenses to use such patent rights and interests as possible and to obtain from every licensee reasonable and proper payments of royalties and will promptly collect all royalties payable by licensees and where necessary will without delay institute legal proceedings for the recovery thereof. Every license to be issued by A. R. T. S. shall contain an obligation by the licensee to make monetary payments of royalties.

24. Neutrodyne shall at all times during the currency of this Agreement use its best endeavours to assist in the exploitation for the profit and benefit of the parties hereto of the patent rights and interests owned or controlled by such parties.

25. Notwithstanding anything herein contained all royalties which shall be received by A. R. T. S. from Radio Corporation Pty. Ltd. in respect of broadcast receivers as herein defined manufactured only by it or its successors up

to a limit of Twelve thousand (12,000) shall be paid to Neutrodyne by A. R. T. S. For the purpose of calculating the amounts Mentioned in Clause 12 the payments herein mentioned shall be included.

26. Notwithstanding anything herein contained A. R. T. S. shall not be bound to pay to Neutrodyne by reason of this agreement any royalty whatsoever on broadcast receivers as herein defined, manufactured only by Amalgamated Wireless (Australasia) Limited of 47 York Street Sydney, and Standard Telephone & Cables (Australasia) Ltd. of 71 York Street Sydney or their respective Successors under any license issued by A. R. T. S. by virtue of this Agreement up to a limit of Thirty-six thousand (36,000) broadcast receivers as herein defined.

27. The expression "Broadcast Receivers" when herein used shall mean broadcast receiving apparatus (other than valves and loud speakers) for the reception of speech or music transmitted and intended for simultaneous reception by all listeners as distinct from point to point communication but only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payment) but not otherwise but shall include sets of component parts.

28. The expression "Broadcast Receiver" excludes valves and loudspeakers.

29. Notwithstanding anything hereinbefore contained all rights and obligations relating to the Dominion of New Zealand shall not commence until the First day of June One thousand nine hundred and thirty-four.

First Schedule.

Bell Telephone Laboratories
Marconi's Wireless Telegraph Co. Ltd.
Gesellschaft fur drahtlose Telegraphie (M.B.H.)
Radio Corporation of America
General Electric Co. Inc. (including International General Electric Company Inc.)
Standard Telephones & Cables (A/asia) Ltd.
Compagnie Generale de Telegraphie Sans Fil)
Societe Francaise Radio Electrique) Until 1937
Standard Telephones & Cables (London)
International Telephone and Telegraph Corporation
Western Electric Company Incorporated.
Electrical Research Products Inc.
International Standard Electric Corporation Inc.
Amalgamated Wireless (A/asia) Ltd.

Second Schedule.

Neutrodyne Proprietary Limited.
Hazeltine Corporation (U. S. A.)

Third Schedule.

Aristone Radio Co. (Aust.) Pty. Ltd.
230 Chapel Street, Prahran.
Colonial Radio Pty. Ltd.,
136 a'Beckett Street, Melbourne.
Custom Built Radio,
229 Castlereagh Street, Sydney.
D. W. Super Short Wave Converters,
Lennox Street, Gordon, Sydney.
Duffy Radio Co. Ltd.,
53 George Street, Redfern, Sydney.
Eclipse Radio Pty. Ltd.,
212 City Road, South Melbourne.

Raycophone Ltd.,
368 George Street, Sydney.
Orpheus Radio Co. Pty. Ltd.,
294 Little Lonsdale Street, Melbourne.
Premier Radio,
11 Constitution Road, Ryde, N.S.W.
Radio Maintenance Pty. Ltd.,
407 Swanston Street, Richmond.
Radio & Television Ltd.,
York House, York Street, Sydney.
Radiette Radio Ltd.,
187 William Street, Sydney.
Slade's Radio,
Lang Street, Croydon, Sydney.
Stromberg-Carlson (A/asia) Ltd.,
72 William Street, Sydney.
Superheterodynes Pty. Ltd.,
90 Chapel Street, St. Kilda, Vic.
Targan Electric Co. Pty. Ltd.,
131 Brunswick Road, East Brunswick, Vic.
University Radio Co.,
22 City Road, Sydney.
Radio Corporation Pty. Ltd.,
Sturt Street, Melbourne.
Essanay Manufacturing Pty. Ltd.,
Buckhurst Street, Sth. Melbourne, Vic.
Howard Radio Pty. Ltd.,
Brunswick, Vic.
Firth Bros. Pty. Ltd.,
Little Lonsdale St., Melbourne.
Majestic Radio Manufacturing Co.,
101 William Street, Sydney.
Philadelphia Storage Battery Company (U.S.A.) (so far as concerns the territory of New Zealand only).

Fourth Schedule.

1. The License shall commence as from the First day of January One Thousand nine hundred and thirtyfour.
2. The first initial royalty payment of One Hundred and fifty pounds (£150) payable under Clause 4 (i) of the said License agreement shall be deemed to have been paid by each signatory Company.
3. The royalties or damages due to A. R. T. S. for infringement prior to the 1st April 1934 of patents owned and/or controlled by A. R. T. S. shall be deemed to have been paid by each signatory Company.
4. As from the First day of April One thousand nine hundred and thirtyfour the rights to manufacture under the patents of the Neutrodyne Pty. Ltd. shall be included in the License agreements without increase in the royalty charges as shown in Schedule of the said License agreement and A. R. T. S. shall undertake to hold the signatory companies protected against Neutrodyne Pty. Ltd. for the use of its inventions after the First day of April One thousand nine hundred and thirtyfour by reason of finalising an agreement with Neutrodyne Pty. Ltd. by which A. R. T. S. will acquire the rights to grant licenses to manufacture broadcast receivers under that Company's patents in that regard.
5. That A. R. T. S. will cause a written notice to be sent to each of the signatory companies under its seal, to the effect that A. R. T. S. has the necessary authority and right to grant for the currency of this agreement to persons firms or companies a license to manufacture broadcast receivers but not including valves and speakers under the present and future patents rights of:

   Bell Telephone Laboratories Inc.
   Electrical Research Products Inc.
   International Standard Electric Corporation, New York

International Telephone and Telegraph Laboratories Inc.
N. V. Philips, Gloeilampenfabrieken
Philips' Lamps (A/asia) Ltd.
Standard Telephones & Cables (A/asia) Ltd.
Standard Telephones & Cables (London)
Western Electric Company Inc.
Amalgamated Wireless (A/asia) Ltd.
International General Electric Co. Inc.
Marconi's Wireless Telegraph Co. Ltd.
Radio Corporation of America.
Telefunken Gesellschaft fur Drahtlose Telegraphie (M. B. H.)
Compagnie Generale de Telegraphie Sans Fil
Societe Francaise Radio Electrique
Radio Corporation Pty. Ltd.
Neutrodyne Pty. Ltd.
Haxeltine Corporation of the State of New York, U. S. A.

6. The License Agreement shall give the signatory companies the right to use the inventions referred to in Clause 5 of the said agreement without payment of extra royalties except only that if A. R. T. S. shall be called upon to pay for any invention emanating from any laboratory or source other than the aforesaid the signatory companies shall have the option to use same upon payment of a royalty based on A. R. T. S.' cost but without profit to A. R. T. S.

7. The License agreement shall indemnify each signatory company against all costs and damages for any action for infringement of patent rights which may be taken against any signatory company by any third party in connection with any broadcast receiver which has been approved by A. R. T. S. as non-infringing the patent right of third parties; but each signatory company shall be bound to first submit all receivers and circuits required by A. R. T. S. for approval purposes. The deci-

sion of A. R. T. S. as to approval, disapproval or request for alteration shall be conveyed to the submitting signatory company within fourteen days of the receipt of such company's sample by A. R. T. S.

8. A. R. T. S. shall upon Stromberg Carlson (A/asia) Ltd. executing under seal the formal documents embodying the terms and conditions of License No. 1 and the terms and conditions of this offer arrange with the Standard Telephones & Cables (A/asia) Ltd. to withdraw their present infringement action on the Anderson patent against Stromberg-Carlson (A/asia) Ltd. each side to pay its own costs in such action.

9. Each signatory company undertakes that it will, if this offer is accepted and if called upon so to do, execute a formal agreement under its seal (if any), embodying the terms and conditions of this offer provided always that such terms and conditions shall be expressed in such Agreement in a form and manner approved by the solicitors of the Litigation Protection Trust.

Fifth Schedule.

Aristone Radio Co. (Aust) Pty. Ltd.
230 Chapel St., Prahran.
Colonial Radio Pty. Ltd.,
136 a'Beckett St., Melbourne.
Custom Built Radio,
229 Castlereagh St., Sydney.
D. W. Super Short Wave Converters,
Lennox St., Gordon, Sydney.
Duffy Radio Co. Ltd.,
73 George St., Redfern, Sydney.
Eclipse Radio Pty. Ltd.,
212 City Rd., South Melbourne, Vic.
Raycophone Ltd.,
386 George St., Sydney.
Orpheus Radio Co. Pty. Ltd.,
294 Lonsdale St., Melbourne.

Radio Maintenance Pty. Ltd.,
407 Swanston St., Richmond.
Radio & Television Ltd.,
York House, York St., Sydney.
Radiette Radio Ltd.,
187 William St., Sydney.
Slade's Radio,
Lang Street, Croydon, N. S. W.
Stromberg-Carlson (A/asia) Ltd.,
72 William St., Sydney.
Superheterodynes Pty. Ltd.,
96 Chapel St., St. Kilda, Vic.
Targan Electric Co. Pty. Ltd.,
131 Brunswick Road, East Brunswick.
University Radio Co.,
22 City Road Sydney.
Majestic Radio Manufacturing Co.,
161 William St., Sydney.
Radio Corporation Pty. Ltd.,
Sturt St., Sth. Melbourne, Vic.

The Common Seal of Australian Radio Technical Services and Patents Company Limited was hereunto affixed by L. A. Hooke and H. C. Trenam two Directors of the Company by order of the Board in the presence of
J. W. Wilson,
Secretary.

L. S.
L. A. Hooke
Director
H. C. Trenam
Director

The Common Seal of Neutrodyne Proprietary Limited was hereunto affixed by order of the Directors in the presence of:
A. E. Burbury.

L. S.
A. G. Warner
Director
Louis Abrahams
Director

DEFENDANT'S EXHIBIT NO. 183-A.

April 5th, 1939
LBD:jp

Australian Pool Agreement.

This agreement is the same as the New Zealand Pool Agreement except as follows:

Paragraph 9—Neutrodyne's share is 25% less £1,800 instead of 22%.

Paragraph 12(b)—Neutrodyne's contribution to litigation expenses is 25% instead of 22%.

Paragraph 18—(This paragraph is entirely different.) Neutrodyne is to render services to A. R. T. S. in Victoria, South Australia and Tasmania; A. R. T. S. is to render similar services throughout the rest of Australia.

L. B. Dodds.

This Deed made this Twenty eighth day of November One thousand nine hundred and thirtyeight Between Australian Radio Technical Services and Patents Company Proprietary Limited (hereinafter called "A. R. T. S.") of the first part And Neutrodyne Proprietary Limited (hereinafter referred to as "Neutrodyne") of the second part Whereas it is hereby agreed as follows:—

1. A. R. T. S. undertakes that it has the exclusive right to grant licenses or sub-licenses for the purposes of manufacture sale and use of broadcast receivers as herein defined under all of the New Zeland present and future patented inventions which any of the Companies specified in the First Schedule hereto owns or controls and will continue to have such right

(a) As to any such inventions owned or controlled by the Companies specified in the First Part of the

First Schedule during the currency of this Agreement.

(b) As to any such inventions owned or controlled by the Companies specified in the Second part of the First Schedule for such periods respectively during the currency of this Agreement as A. R. T. S. shall be entitled to exercise such right.

and no person or company (including the registered proprietor) shall have the right to manufacture sell or use such broadcast receivers as herein defined employing such inventions without first obtaining a license from A. R. T. S. during the periods respectively above set forth.
fined under all of the New Zealand present and future

2. Neutrodyne undertakes that it has the exclusive right to grant licenses or sub-licenses for the purposes of manufacture sale and use of broadcast receivers as herein defined under all the New Zealand present and future patented inventions which any of the Companies specified in the Second Schedule hereto owns or controls and Neutrodyne will continue to have such exclusive right during the currency of this Agreement and no person or company (including the registered proprietor) shall have the right to manufacture sell or use such broadcast receivers as herein defined employing such inventions without first obtaining a license from A. R. T. S. inventions without first obtaining a license from A. R. T. S.

3. A. R. T. S. agrees in respect of any broadcast receivers manufactured and/or sold in Australia by any of the Companies mentioned in the First Schedule or by any representative or subsidiaries of such Companies or under any license or sub-license granted or to be granted under the Australian Letters Patent owned or controlled by any such Companies irrespective of whether such license or sub-license is granted by the registered proprietor or its licensees to pay to Neutrodyne royalties at the same rate

as would be payable to Neutrodyne if such broadcast receivers had been manufactured and/or sold by a licensee of A. R. T. S. This Clause shall not operate in respect of any broadcast receivers as herein defined manufactured and/or sold under any license granted after September 1940 under the Australian Letters Patent owned or controlled by the Bell Telephone Laboratories Incorporated, Western Electric Company Incorporated and Electrical Research Products Incorporated.

4. Neutrodyne agrees in respect of every broadcast receiver manufactured and/or sold in Australia by any of the Companies mentioned in the Second Schedule hereto or by any representative or subsidiaries of such Companies or under any license or sub-license granted or to be granted under the Australian Letters Patent owned or controlled by any such Companies irrespective of whether such license or sub-license is granted by the registered proprietor or its licensees to pay to A. R. T. S. royalties at the same rate as would be payable to A. R. T. S. if such broadcast receivers had been manufactured and/or sold by a licensee of A. R. T. S. under and by virtue of this Agreement.

5. In consideration of the premises and of the payment to Neutrodyne of the royalties hereinafter mentioned in manner hereinafter provided Neutrodyne hereby grants to A. R. T. S. for the term herein mentioned but subject as hereinafter provided the exclusive right and authority to grant sub-licenses to third parties (hereinafter called "Licensees") to use manufacture and sell in the Commonwealth of Australia broadcast receivers as herein defined the subject of the present and future Letters Patent owned or controlled by it conditionally on such sub-licenses being non-assignable by A. R. T. S. or by its Licensees.

6. For the purposes of and during the continuance of this Agreement Neutrodyne hereby irrevocably appoints A. R. T. S. its attorney in its name to effectually execute

sign seal and deliver all such documents deeds and instruments and to do and execute all such matters acts and things as may be necessary to effectually grant the said licenses or sub-licenses to Licensees as aforesaid subject as herein provided.

7. A. R. T. S. shall not grant licenses or sub-licenses to use any Letters Patent relating to broadcast receivers as herein defined unless such licenses or sub-licenses shall include the right to use all the Letters Patent owned or controlled by all the parties hereto.

8. The term of this Agreement shall be five years commencing on the First day of January One thousand nine hundred and thirty nine.

9. In consideration of the premises A. R. T. S. will in respect of the period covered by this Agreement pay to Neutrodyne 25% (twenty-five per centum) of the gross sum received by it from Licensees or sub-licensees for royalties paid for the use sale or manufacture of broadcast receivers in the Commonwealth of Australia. Such royalties shall include royalties which have been paid in respect of Letters Patent owned or controlled by the Companies mentioned in the First Schedule as well as royalties which have been paid for Letters Patent owned or controlled by the Companies mentioned in the Second Schedule hereto Provided That from the said payment by A. R. T. S. to Neutrodyne under this Clause A. R. T. S. shall retain the sum of £1,800 (Eighteen hundred pounds) per annum.

10. The amount payable under Clause 9 hereof shall be paid by A. R. T. S. to Neutrodyne monthly and not later than the last day of the month next succeeding the month during which the said royalties have been received by or on account of A. R. T. S. A. R. T. S. will keep and maintain full and complete records of all royalties received by or payable to it under Clause 9 hereof and of all licenses or sub-licenses granted by it and will on or before the

last day of each and every month during the continuance of this Agreement furnish Neutrodyne with a complete and accurate statement showing the manner in which said royalties have been calculated and setting forth the name and address of every person firm or company from whom such royalties have been received and the number of broadcast receivers on which royalties have been paid.

11. Neutrodyne by a member or members of the Institute of Chartered Accounts of Australia appointed for the purpose shall have the right from time to time during the said term and for a period of six months thereafter to inspect examine and take extracts and copies of all records and books of account kept and maintained by A. R. T. S. as hereinbefore provided.

12. (a) During the said term and subject as hereinafter expressly provided A. R. T. S. shall have the right to take and institute all such actions suits or other legal proceedings as may be necessary to prevent the continuance of or to prevent the infringement within the Commonwealth of Australia of any patent right or interest owned or controlled by Neutrodyne and being the subject of this Agreement and for the purpose of this Clause Neutrodyne hereby irrevocably during the period of this Agreement appoints A. R. T. S. its Attorney in its name to take and institute all such actions suits and proceedings Provided Further that in respect of any such actions suits or proceedings Neutrodyne shall have the right to veto the appointment of any Counsel or Solicitor to be briefed or retained in connection therewith and all processes and pleadings to be used in connection therewith shall if so required by Neutrodyne be in such form and shall contain such statement of fact and otherwise as one or more Counsel nominated or appointed by Neutrodyne at its own expense for that purpose shall require Provided Further that Neutrodyne shall have the right to veto institution of

infringement actions in respect of Neutrodyne's Letter Patent if the number of such actions would but for such veto exceed the proportion of one Neutrodyne infringement action to two other infringement actions on the other Letters Patent owned or controlled by A. R. T. S.

(b) In respect of any action suit or other legal proceedings to prevent the continuance of or to prevent the infringement within the Commonwealth of Australia of any patent right or interest owned or controlled by the Companies specified in the First and Second Schedules hereto A. R. T. S. shall be responsible for and pay all legal costs charges and expenses occasioned by or arising out of any such action suit or legal proceedings (including any costs ordered to be paid by the Plaintiff or Plaintiffs Petitioner or Petitioners in any such action suit or legal proceedings or agreed to be paid on the settlement or withdrawal of any such action suit or legal proceedings) whether any such action suit or legal proceedigns are commenced in the name of A. R. T. S. as Plaintiff or in the name or names of any of the Companies set out in the First and Second Schedules hereto Provided Always that Neutrodyne shall contribute 25% (twenty-five per centum) of such legal costs charges and expenses as aforesaid.

13. Neutrodyne shall give to A. R. T. S. free of all costs and expenses all reasonable proper and necessary information and assistance relating to its patent rights and interests including all service information emanating from the Hazeltine Corporation of the State of New York United States of America which may be available from time to time for use of its Licensees and such reasonable information and assistance as A. R. T. S. may require in connection with any suit action or proceeding relating thereto. Any service bulletins or circulars based on information emanating from Neutrodyne or the said Hazeltine

Corporation which may be issued by A. R. T. S. shall clearly indicate their source or origin.

14. Every license or sub-license granted by A. R. T. S. hereunder shall contain an obligation binding the Licensee to set forth in a monthly royalty return the quantity of broadcast receivers as herein defined which the Licensee has manufactured or sold under such license or sub-license.

15. A. R. T. S. agrees insofar as it is within its power that legal action shall be instituted and prosecuted with due diligence against any person or company infringing any of the Letters Patent owned or controlled by the Companies specified in the First and Second Schedules hereto. If however Neutrodyne considers that legal proceedings should be brought against alleged infringers of any of its Letters Patent and A. R. T. S. does not take such legal proceedings then Neutrodyne may take such proceedings at its own expense and shall be entitled to collect costs damages and royalties both past and future from such alleged infringers for its sole use and benefit.

16. A. R. T. S. agrees to take prompt steps and shall do everything necessary to enforce payment by any Licensee of royalties due under any license issued by it in pursuance of this Agreement.

17. Notwithstanding anything contained herein all licenses to manufacture and sell under Letters Patent granted or agreed to be granted herein shall cease immediately on the termination of this Agreement.

18. Neutrodyne will at its own cost render such service to A. R. T. S. in the States of Victoria and South Australia and Tasmania as shall be agreed upon as being for the mutual benefit of the parties hereto and A. R. T. S. shall at its own cost render similar service in the other States of the Commonwealth of Australia.

19. A. R. T. S. shall at all times during the currency of

this Agreement use its best endeavors to exploit for the profit and benefit of the parties hereto the patent rights and interests owned or controlled by such parties and will do everything necessary to grant as many licenses to use such patent rights and interests as possible and to obtain from every Licensee reasonable and proper payments of royalties and will promptly collect all royalties payable by Licensees and where necessary will without any delay institute legal proceedings for the recovery thereof. Every license to be issued by A. R. T. S. shall contain an obligation by the Licensee to make monetary payments of royalties.

20. Neutrodyne shall at all times during the currency of this Agreement use its best endeavours to assist in the exploitation for the profit and benefit of the parties hereto of the patent righst and interests owned or controlled by such parties.

21. The expression "Broadcast Receivers" where herein used shall mean broadcast receiving apparatus (other than valves and loud speakers) for the reception of speech or music transmitted and intended for simultaneoos reception by all listeners as distinct from point to point communication but only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payment) but not otherwise but shall include sets of component parts.

22. The expression "Broadcast Receivers" excludes valves and loud speakers.

23. This Agreement shall be deemed to have been made in and subject to the laws of Victoria.

First Schedule.

First Page.

Marconi's Wireless Telegraph Company Limited,
Telefunken Gesellschaft Fur Drahtlose Telegraphie m.b.H.,
Radio Corporation of America,
General Electric Company Incorporated (including International General Electric Company Incorporated),
Standard Telephones & Cables Pty. Limited,
Standard Telephones & Cables Limited (London),
International Telephone and Telegraph Corporation,
International Standard Electric Corporation Incorporated,
Amalgamated Wireless (Australasia) Limited.

First Schedule.

Second Part.

Bell Telephone Laboratories Incorporated,
Campagnie Generale De Telegraphie Sans Fil,
Societe Francaise Radio Electrique,
Western Electric Company Incorporated,
Electrical Research Products Incorporated.

Second Schedule.

Neutrodyne Proprietary Limited,
Hazeltine Corporation (U. S. A.)
Radio Corporation Proprietary Limited.
The Common Seal of Australian
Radio Technical Services and Patents Company Proprietary Limited was hereto affixed by
L. A. Hooke and
Sir Ernest Fisk, two

Directors of the Company by order of the Board in the presence of

(Signed) J. F. Wilson,
Secretary.

L. S. L. A. Hooke,
E. Fisk.

The Common Seal of Neutrodyne Proprietary Limited was hereto affixed by order of the directors in the presence of

(Signed) A. G. Warner.

DEFENDANT'S EXHIBIT NO. 183-B.

April 5th, 1939.

LBD:jp

New Zealand Pool Agreement.

1. A. R. T. S. warrants that it has exclusive rights under the patents of the companies of the First Schedule, even excluding patent owner.
2. Neutrodyne represents that it has exclusive rights under the patents of the companies of the Second Schedule, even excluding the patent owner.
3. A. R. T. S. agrees to pay to Neutrodyne royalties on all receivers sold by the companies of the First Schedule and their licensees to some extent as pool licensees.
4. Neutrodyne agrees to pay to A. R. T. S. royalties on all receivers sold by the companies of the Second Schedule and their licensees, to same extent as if sold by Pool licensee.
5. Neutrodyne grants exclusive right to sublicense to A. R. T. S.
6. Neutrodyne appoints A. R. T. S. its attorney in fact to issue licenses in its name.
7. A. R. T. S. can grant licenses only under all patents.
8. Term—five years from January 1st, 1939.
9. A. R. T. S. to pay to Neutrodyne 22% of gross royalties received. (How about those payable at termination of pool?)
10. A. R. T. S. will keep records, make reports, and royalty payments by last day of each month for preceding month.
11. Neutrodyne has right to inspect A. R. T. S.' books.

12. (a) A. R. T. S. right to bring legal actions and Neutrodyne appoints its attorney in fact; Provided Neutrodyne can veto any counsel, and all pleadings are subject to approval of counsel of Neutrodyne; Provided further, Neutrodyne may veto if more than one in three actions are on Neutrodyne patents.
    (b) All actions under (a) at expense of A. R. T. S. subject to a 22% contribution by Neutrodyne.
13. Neutrodyne to give A. R. T. S. all possible technical information including that from Hazeltine.
14. All licenses issued by A. R. T. S. shall require licensee to issue monthly report of receivers manufactured or sold.
15. A. R. T. S. agrees to diligently proceed against infringers; in case of disagreement, Neutrodyne may proceed at own expense and for own benefit.
16. A. R. T. S. to enforce payment of royalties under pool license.
17. All licenses to terminate with termination of pool.
18. Neutrodyne to refund to A. R. T. S. a proportionate share (22%) of expenses of A. R. T. S. in issuing licenses and collecting royalties.
19. A. R. T. S. to use best efforts to exploit the pool patents.
20. Neutrodyne to use best efforts to exploit the pool patents.
*21. Definition of "Broadcast Receivers"—limits to home receivers.—Excludes television.
22. "Broadcast Receivers" excludes tubes and speakers.
23. Agreement under laws of Victoria.

---

* No agreement as to form of pool license or minimum rate of royalty.

L. B. Dodds.

This deed made this Twenty Eighth day of November One thousand nine hundred and thirty-eight Between Australian Radio Technical Services and Patents Company Proprietary Limited (hereinafter called "A. R. T. S.") of the first part and Neutrodyne Proprietary Limited (hereinafter referred to as "Neutrodyne") of the second part Whereas it is hereby agreed as follows:—

1. A. R. T. S. undertakes that it has the exclusive right to grant licenses or sub-licenses for the purposes of manufacture sale and use of broadcast receivers as herein defined under all of the Australian present and future patented inventions which any of the companies specified in the First Schedule hereto owns or controls and will continue to have such right

(a) As to any such inventions owned or controlled by the Companies specified in the First Part of the First Schedule during the currency of this Agreement

(b) As to any such inventions owned or controlled by the Companies specified in the Second part of the First Schedule for such periods respectively during the currency of this Agrement as A. R. T. S. shall be entitled to exercise such right

and no person or company (including the registered proprietor) shall have the right to manufacture sell or use such broadcast receivers as herein defined employing such inventions without first obtaining a license from A. R. T. S. during the periods respectively above set forth.

2. Neutrodyne undertakes that it has the exclusive right to grant licenses or sub-licenses for the purposes of manufacture sale and use of broadcast receivers as herein defined under all the Australian present and future patented inventions which any of the companies specified in the Second Schedule hereto owns or controls and Neutrodyne

will continue to have such exclusive right during the currency of this Agreement and no person or company (including the registered proprietor) shall have the right to manufacture sell or use such broadcast receivers as herein defined employing such inventions without first obtaining a license from A. R. T. S.

3. A. R. T. S. agrees in respect of any broadcast receivers manufactured and/or sold in New Zealand by any of the Companies mentioned in the First Schedule or by any representative or subsidiaries of such Companies or under any license or sub-license granted or to be granted under the New Zealand Letters Patent owned or controlled by any such Companies irrespective of whether such license or sub-license is granted by the registered proprietor or its Licensees to pay to Neutrodyne royalties at the same rate as would be payable to Neutrodyne if such broadcast receivers had been manufactured and/or sold by a Licensee of A. R. T. S. This Clause shall not operate in respect of any broadcast receivers as herein defined manufactured and/or sold under any license granted after September 1940 under the New Zealand Letters Patent owned or controlled by the Bell Telephone Laboratories Incorporated, Western Electric Company Incorporated and Electrical Research Products Incorporated.

4. Neutrodyne agrees in respect of every broadcast receiver manufactured and/or sold in New Zealand by any of the Companies mentioned in the Second Schedule hereto or by any representative or subsidiaries of such Companies or under any license or sub-license granted or to be granted under the New Zealand Letters Patent owned or controlled by any such Companies irrespective of whether such license or sub-license is granted by the registered proprietor or its licensees to pay to A. R. T. S. royalties at the same rate as would be payable to A. R. T. S. if such broadcast receivers had been manufactured and/or sold by a Licensee of A. R. T. S. under and by virtue of this Agreement.

5. In consideration of the premises and of the payment to Neutrodyne of the royalties hereinafter mentioned in manner hereinafter provided Neutrodyne hereby grants to A. R. T. S. for the term herein mentioned but subject as hereinafter provided the exclusive right and authority to grant sub-licenses to third parties, (hereinafter called "Licensees") to use manufacture and sell in the Dominion of New Zealand broadcast receivers as herein defined the subject of the present and future Letters Patent owned or controlled by it conditionally on such sub-licenses being non-assignable by A. R. T. S. or by its Licensees.

6. For the purposes of and during the continuance of this Agreement Neutrodyne hereby irrevocably appoints A. R. T. S. its Attorney in its name to effectually execute sign seal and deliver all such documents deeds and instruments and to do nad execute all such matters acts and things as may be necessary to effectually grant the said Licenses or sub-Licenses to Licensees as aforesaid subject as herein provided.

7. A. R. T. S. shall not grant licenses or sub-licenses to use any Letters Patent relating to broadcast receivers as herein defined unless such licenses or sub-licenses shall include the right to use all the Letters Patent owned or controlled by all the parties hereto.

8. The term of this Agreement shall be five years commencing on the First day of January One thousand nine hundred and thirty nine.

9. In consideration of the premises A. R. T. S. will in respect of the period covered by this Agreement pay to Neutrodyne 22% (twenty two per centum) of the gross sum received by it from Licensees or sub-licensees for royalties paid for the use sale or manufacture of broadcast receivers in the Dominion of New Zealand. Such royalties shall include royalties which have been paid in respect of Letters Patent owned or controlled by the Companies men-

tioned in the First Schedule as well as royalties which have been paid for Letters Patent owned or controlled by the Companies mentioned in the Second Schedule hereto.

10. The amount payable under Clause 9 hereof shall be paid by A. R. T. S. to Neutrodyne monthly and not later than the last day of the month next succeeding the month during which the said royalties have been received by or on account of A. R. T. S. A. R. T. S. will keep and maintain full and complete records of all royalties received by or payable to it under Clause 9 hereof and of all Licenses or sub-licenses granted by it and will on or before the last day of each and every month during the continuance of this Agreement furnish Neutrodyne with a complete and accurate statement showing the manner in which the said royalties have been calculated and setting forth the name and address of every person firm or company from whom such royalties have been received and the number of broadcast receivers on which royalties have been paid.

11. Neutrodyne by a member or members of the Institute of Chartered Accountants of Australia appointed for the purpose shall have the right from time to time during the said term and for a period of six months thereafter to inspect examine and take extracts and copies of all records and books of account kept and maintained by A. R. T. S. as hereinbefore provided.

12. (a) During the said term and subject as hereinafter expressly provided A. R. T. S. shall have the right to take and institute all such actions suits or other legal proceedings as may be necessary to prevent the continuance of or to prevent the infringement within the Dominion of New Zealand of any patent right or interest owned or controlled by Neutrodyne and being the subject of this Agreement and for the purpose of this Clause Neutrodyne hereby irrevocably during the period of this Agreement appoints A. R. T. S. its Attorney in its name to take and institute all

such actions suits and proceedings Provided Further that in respect of any such actions suits or proceedings Neutrodyne shall have the right to veto the appointment of any Counsel or Solicitor to be briefed or retained in connection therewith and all processes and pleadings to be used in connection therewith shall if so required by Neutrodyne be in such form and shall contain such statement of fact and otherwise as one or more Counsel nominated or appointed by Neutrodyne at its own expense for that purpose shall require Provided Further that Neutrodyne shall have the right to veto institution of infringement actions in respect of Neutrodyne's Letters Patent if the number of such actions would but for such veto exceed the proportion of one Neutrodyne infringement action to two other infringement actions on the other Letters Patent owned or controlled by A. R. T. S.

(b) In respect of any action suit or other legal proceedings to prevent the continuance of or to prevent the infringement within the Dominion of New Zealand of any patent right or interest owned or controlled by the Companies specified in the First and Second Schedules hereto A. R. T. S. shall be responsible for and pay all legal costs charges and expenses occasioned by or arising out of any such action suit or legal proceeding (including any costs ordered to be paid by the Plaintiff or Plaintiffs Petitioner or Petitioners in any such action suit or legal proceedings or agreed to be paid on the settlement or withdrawal of any such action suit or legal proceedings) whether any such action suit or legal proceedings are commenced in the name of A. R. T. S. as Plaintiff or in the name or names of any of the Companies set out in the First and Second Schedules hereto Provided Always that Neutrodyne shall contribute 22% (twenty-two per centum) of such legal costs charges and expenses as aforesaid.

13. Neutrodyne shall give to A. R. T. S. free of all

costs and expenses all reasonable proper and necessary information and assistance relating to its patent rights and interests including all service information emanating from the Hazeltine Corporation of the State of New York United States of America which may be available from time to time for use of its licensees and such reasonable information and assistance as A. R. T. S. may require in connection with any suit action or proceeding relating thereto. Any service bulletins or circulars based on information emanating from Neutrodyne or the said Hazeltine Corporation which may be issued by A. R. T. S. shall clearly indicate their source or origin.

14. Every license or sub-license granted by A. R. T. S. hereunder shall contain an obligation binding the Licensee to set forth in a monthly royalty return the quantity of broadcast receivers as herein defined which the Licensee has manufactured or sold under such License or sub-license.

15. A. R. T. S. agrees insofar as it is within its power that legal action shall be instituted and prosecuted with due diligence against any person or company infringing any of the Letters Patent owned or controlled by the Companies specified in the First and Second Schedules hereto. If however Neutrodyne considers that legal proceedings should be brought against alleged infringers of any of its Letters Patent and A. R. T. S. does not take such legal proceedings then Neutrodyne may take such proceedings at its own expense and shall be entitled to collect costs damages and royalties both past and future from such alleged infringer for its sole use and benefit.

16. A. R. T. S. agrees to take prompt steps and shall do everything necessary to enforce payment by any Licensee of royalties due under any license issued by it in pursuance of this Agreement.

17. Notwithstanding anything contained herein all licenses to manufacture and sell under Letters Patent granted

or agreed to be granted herein shall cease immediately on the termination of this Agreement.

18. Neutrodyne shall refund to A. R. T. S. a proportion of the cost to be incurred by A. R. T. S. in carrying out its obligations to issue licenses and collect royalties from Licensees in the Dominion of New Zealand. Such proportion shall be equal to the proportion of gross royalty income which shall be received by Neutrodyne for the territory of the Dominion of New Zealand compared with the gross royalty income which shall be received by A. R. T. S. in respect of the same territory.

19. A. R. T. S. shall at all times during the currency of this Agreement use its best endeavours to exploit for the profit and benefit of the parties hereto the patent rights and interests owned or controlled by such parties and will do everything necessary to grant as many licenses to use such patent rights and interests as possible and obtain from every Licensee reasonable and proper payment of royalties and will promptly collect all royalties payable by Licensees and where necessary will without any delay institute legal proceedings for the recovery thereof. Every license to be issued by A. R. T. S. shall contain an obligation by the Licensee to make monetary payments of royalties.

20. Neutrodyne shall at all times during the currency of this Agreement use its best endeavours to assist in the exploitation for the profit and benefit of the parties hereto of the patent rights and interests owned or controlled by such parties.

21. The expression "Broadcast Receivers" where herein used shall mean broadcast receiving apparatus (other than valves and loud speakers) for the reception of speech or music transmitted and intended for simultaneous reception by all listeners as distinct from point to point communica-

tion but only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payment) but not otherwise but shall include sets of component parts.

22. The expression "Broadcast Receiver" excludes valves and loud speakers.

23. This Agreement shall be deemed to have been made in and subject to the laws of the State of Victoria.

First Schedule.

First Part.

Marconi's Wireless Telegraph Company Limited
Telefunken Gesellschaft Fur Drahtlose Telegraphie m.b.H.
Radio Corporation of America
General Electric Company Incorporated (including International General Electric Company Incorporated)
Standard Telephones & Cables Pty. Limited
Standard Telephones & Cables Limited (London)
International Telephone And Telegraph Corporation
International Standard Electric Corporation Incorporated
Amalgamated Wireless (Australasia) Limited

First Schedule.

Second Part.

Bell Telephone Laboratories Incorporated
Compagnie Generale De Telegraphie Sans Fil
Societe Francaise Radio Electrique
Western Electric Company Incorporated
Electrical Research Products Incorporated.

Second Schedule.

Neutrodyne Proprietary Limited
Hazeltine Corporation (U. S. A.)
Radio Corporation Proprietary Limited.

The Common Seal of Australian Radio Technical Services And Patents Company Proprietary Limited was hereto affixed by L. A. Hooke and Sir Ernest Fisk two Directors of the Company by order of the Board in the presence of:
(Signed) J. F. Wilson
Secretary.

L. S. L. A. Hooke
E. Fisk

The Common Seal of Neutrodyne Proprietary Limited was hereunto affixed by order of the Directors in the presence of
(Signed) A. G. Warner.

DEFENDANT'S EXHIBIT NO. 184.

Dated 1946

Agreement

between

Australian Radio Technical Services
And Patents Company Pty. Limited.

—and—

Neutrodyne Proprietary Limited

This Deed made this 31st day of January One thousand nine hundred and forty-six Between Australian Radio Technical Services and Patents Company Pty. Limited (hereinafter called "A. R. T. S.") of the first part and Neutrodyne Proprietary Limited (hereinafter referred to as "Neutrodyne") of the second part Whereas it is hereby agreed as follows:—

1. A. R. T. S. warrants that it has the exclusive right to grant licenses or sub-licences for the purposes of manufacture sale and use of broadcast receivers as herein defined during the currency of this Agreement under all Australian Letters Patent set out in the Third Schedule hereto.

2. Neutrodyne warrants that it has the exclusive right to grant licences or sub-licences for the purposes of manufacture sale and use of broadcast receivers as herein defined during the currency of this Agreement under all then existing Australian Letters Patent protecting inventions originating in any of the Companies specified in the Second Schedule hereto or the subsidiaries of any such Companies and it further warrants that it has the exclusive right to grant licences or sub-licences for the purposes of manufacture sale and use of broadcast receivers as herein defined

during the currency of this Agreement under all Australian Letters Patent of which any of the Companies specified in the Second Schedule hereto shall be the registered proprietor or shall own or control and no person (including the registered proprietor) shall during the currency of this Agreement have the right to manufacture sell or use such broadcast receivers as herein defined employing the inventions protected by such Letters Patent without first obtaining a license from A. R. T. S.

3. In consideration of the premises of and the payment to Neutrodyne of the royalties hereinafter mentioned in manner hereinafter provided Neutrodyne hereby grants to A. R. T. S. but subject as hereinafter provided the exclusive right and authority to grant sub-licences to third parties (hereinafter called "licensees") to use manufacture and sell for the term herein mentioned in the Commonwealth of Australia broadcast receivers as herein defined the subject of the present and future Letters Patent owned or controlled by it conditionally on such sub-licences being non-assignable by A. R. T. S. or by its licensees.

4. For the purposes of and during the continuance of this Agreement Neutrodyne hereby irrevocably appoints A. R. T. S. its attorney in its name to effectually execute sign seal and deliver all such documents deeds and instruments and to do and execute all such matters acts and things as may be necessary to effectually grant the said licences or sub-licences to licensees as aforesaid subject as herein provided.

5. A. R. T. S. shall not grant licences or sub-licences to use any Letters Patent relating to broadcast receivers as herein defined unless such licences or sub-licences shall include the right to use all the inventions protected by Letters Patent under which A. R. T. S. has the exclusive right to grant licences including the licences or sub-licences referred to in Clauses 1, 3 and 4 hereof.

6. The term of this Agreement shall be five years commencing on the first day of January, One thousand nine hundred and forty-six.

7. In consideration of the premises A. R. T. S. will in respect of the period covered by this Agreement pay to Neutrodyne 25% (twenty-five per centum) of the gross sum received by it from licensees or, sub-licensees for royalties paid for the use sale or manufacture of broadcast receivers in the Commonwealth of Australia. Such royalties shall include royalties which have been paid to A. R. T. S. in respect of Letters Patent owned or controlled by the Companies mentioned in the First and Second Schedules as well as additional royalties which have been paid by licensees under the Letters Patent owned or controlled by the Companies referred to in Clause 15 (a) hereof Provided That from the amounts agreed to be paid by A. R. T. S. to Neutrodyne under this Clause A. R. T. S. shall be entitled to deduct and retain each year during the currency of this Agreement a sum equal to 1.41% (one point four one per centum) of the gross amount on which the percentage payable to Neutrodyne is calculated.

8. The amount payable under Clause 7 hereof shall be paid by A. R. T. S. to Neutrodyne monthly and no later than the last day of the month next succeeding the month during which the said royalties have been received by or on account of A. R. T. S. A. R. T. S. will keep and maintain full and complete records of all royalties received by or payable to it under Clause 7 hereof and of all licences or sub-licences granted by it and will on or before the last day of each and every month during the continuance of this Agreement furnish Neutrodyne with a complete and accurate statement showing the manner in which said royalties have been calculated and setting forth the name and address of every person firm or company from whom such royalties have been received and the number of broadcast receivers on which royalties have been paid.

9. Neutrodyne by a member or members of the Institute of Chartered Accountants of Australia appointed for the purpose shall have the right from time to time during the said term and for a period of six months thereafter to inspect examine and take extracts and copies of all records and books of account kept and maintained by A. R. T. S. as hereinbefore provided.

10(a). During the said term and subject as hereinafter expressly provided A. R. T. S. shall have the right to take and institute all such actions suits or other legal proceedings as may be necessary to prevent the continuance of or to prevent the infringement within the Commonwealth of Australia of any patent right or interest owned or controlled by Neutrodyne and being the subject of this Agreement and for the purpose of this Clause Neutrodyne hereby irrevocable during the period of this Agreement appoints A. R. T. S. its Attorney in its name to take and institute all such actions suits and proceedings Provided That in respect of any such actions suits or proceedings Neutrodyne shall have the right to veto the appointment of any Counsel or Solicitor to be briefed or retained in connection therewith and all processes and pleadings to be used in connection therewith shall if so required by Neutrodyne be in such form and shall contain such statement of fact and otherwise as one or more Counsel nominated or appointed by Neutrodyne at its own expense for that purpose shall require Provided Further That Neutrodyne shall have the right to veto institution of infringement actions in respect to Neutrodyne's Letters Patent if the number of such actions would but for such veto exceed the proportion of one Neutrodyne infringement action to two other infringement actions on the other Letters Patent owned or controlled by A. R. T. S. Provided Further That if Neutrodyne con-

siders that legal proceedings should be brought against alleged infringers of any of its Letters Patent Neutrodyne may on giving notice to A. R. T. S. take and institute all such actions suits or other legal proceedings as may be necessary to prevent infringement.

(b) In respect to any action suit or other legal proceeding to prevent the continuancy of or to prevent the infringement within the Commonwealth of Australia of any patent right or interest owned or controlled by the Companies specified in the First and Second Schedules hereto A. R. T. S. shall be responsible for and pay all legal costs charged and expenses occasioned by or arising out of any such action suit or legal proceedings (including any costs ordered to be paid by the plaintiff or plaintiffs petitioner or petitioners in any such action suit or legal proceedings or agreed to be paid on the settlement or withdrawal of any such action suit or legal proceedings) whether any such action or legal proceedings are conmmenced in the name of A. R. T. S. as plaintiff or in the name or names of any of the Companies set out in the First and Second Schedules hereto Provided Always that Neutrodyne shall contribute 25% (twenty-five per centum) of such legal costs charges and expenses as aforesaid.

11. Neutrodyne shall give to A. R. T. S. free of all costs and expenses all reasonable proper and necessary information and assistance relating to its patent rights and interests including all service information emanating from the Hazeltine Corporation of the State of New York United States of America which may be available from time to time for use of its licensees and such reasonable information and assistance as A. R. T. S. may require in connection with any suit action or proceedings relating thereto. Any service bulletins or circulars based on information emanating from Neutrodyne or the said Hazeltine Corporation which may

be issued by A. R. T. S. shall clearly indicate their source of origin.

12. Every license or sub-licence granted by A. R. T. S. hereunder shall contain an obligation binding the licensee to set forth in a monthly royalty return the quantity of broadcast receivers as herein defined which the licensee has manufactured or sold under such license or sub-license.

13. A. R. T. S. agrees that legal action shall be instituted and prosecuted with due diligence against any person or company infringing any of the Letters Patent owned or controlled by the Companies specified in the First and Second Schedules hereto by the making using exercising or vending of broadcast receivers.

14. A. R. T. S. agrees to take prompt steps and shall do everything necessary to enforce payment by any licensee of royalties due under any licence issued by it in pursuance of this Agreement.

15. In the event of

(a) A. R. T. S. being granted the right to grant licences for the purposes of manufacture sale and use of broadcast receivers as herein defined in respect of any inventions covered by Letters Patent other than those specified in Clauses 1 and 2 hereof and other than those owned or controlled by N. V. Phillips' Gloeilampenfabrieken and its subsidiaries under an Agreement requiring A. R. T. S. to make an annual payment to the grantor out of the royalties collected by A. R. T. S. (hereafter referred to as "said additional agreement") and

(b) Companies entitled to receive in the aggregate at least 80% (eighty per centum) of the gross sum received by A. R. T. S. from its licensees and sub-licensees agreeing to contribute to such annual payment to satisfy the terms of the said additional agreement

A. R. T. S. shall make a deduction from the annual sum payable to Neutrodyne hereunder which bears the same ratio to the annual sum payable by A. R. T. S. to satisfy the terms of such additional agreement as the annual sum paid by A. R. T. S. to Neutrodyne under Clause 7 hereof bears to the gross sum received by A. R. T. S. from its licensees and sub-licensees.

16. Notwithstanding anything contained herein all licences to manufacture and sell under Letters Patent granted or agreed to be granted herein shall cease immediately on the termination of this Agreement.

17. Neutrodyne will at its own cost render such service to A. R. T. S. in the States of Victroia and South Australia and Tasmania as shall be agreed upon as being for the mutual benefit of the parties hereto and A. R. T. S. shall at its own cost render similar service in the other States of the Commonwealth of Australia.

18. A. R. T. S. shall at all times during the currency of this Agreement use its best endeavours to exploit for the profit and benefit of the parties hereto the patent rights and interests owned or controlled by such parties and will do everything necessary to grant as many licences to use such patent rights and interests as possible and to obtain from every licensee reasonable and proper payments of royalties and will promptly collect all royalties payable by licensees and where necessary will without any delay institute legal proceedings for the recovery thereof. Every Licence to be issued by A. R. T. S. shall contain an obligation by the licensee to make monetary payments of royalties.

19. Neutrodyne shall at all time during the currency of this Agreement use its best endeavours to assist in the exploitation for the profit and benefit of the parties hereto of the patent rights and interests owned or controlled by such parties.

20. In the event of either party receiving any revenue directly or indirectly from Letters Patent relating to broadcast receivers such revenue shall be paid to A. R. T. S. and treated as gross revenue of A. R. T. S. from its licensees.

21. The expression "broadcast receivers" when herein used shall mean broadcast receiving apparatus which is designed to incorporate valves (whether or not equipped with the valves themselves) and which is designed to receive and translate modulated electrical oscillations broadcast to the public for sound and/or television and/or facsimile reception whether or not in the case of television or facsimile reception such apparatus is in the same cabinet with or is adapted to be used with a radio-gramophone provided that such broadcast receiving apparatus is only for private or domestic use or for the purposes of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payments) and not otherwise. Such expression does not include valves or cathode ray tubes whether or not incorporated in the apparatus nor separate components but shall include sets of component parts and/or any electronic device designed to be operated by such broadcast receiving apparatus.

22. This Agreement shall be deemed to have been made in and subject to the Laws of Victoria.

First Schedule.

Marconi's Wireless Telegraph Company Limited
Telefunken Gesellschaft fur Drahtlose Telegraphie m.b.H.
Radio Corporation of America
General Electric Company Incorporated (including International General Electric Company Incorporated)

Standard Telephones & Cables Pty. Limited
Standard Telephones & Cables Limited (London)
International Telephone and Telegraph Corporation
International Standard Electric Corporation
Amalgamated Wireless (Australasia) Limited.

Second Schedule.

Neutrodyne Proprietary Limited
Hazletine Corporation (U. S. A.)
Radio Corporation Proprietary Limited.

Third Schedule.

21959/29	28512/30		
21960/29	28898/30	2829/31	5478/31
24349/29	29294/30	2949/31	5548/31
24472/30	29298/30	3046/31	5625/32
24484/30	29538/30	3047/31	5670/32
24485/30	29938/30	3311/31	5761/32
24680/30	30356/30	3348/31	5762/32
24825/30	30829/30	3797/31	5844/32
25072/30	41/31	3823/31	5847/32
25201/30	43/31	3824/31	5871/32
25414/30	372/31	4174/31	5930/32
25448/30	391/31	4175/31	5933/32
25450/30	926/31	4250/31	5953/32
25564/30	1012/31	4272/31	6092/32
25566/30	1104/31	4273/31	6361/32
25567/30	1137/31	4366/31	6437/32
26192/30	1316/31	3271/31	6444/32
26193/30	1428/31	4400/31	6611/32
26211/30	1429/31	4558/31	6696/32
26667/30	1596/31	4651/31	6726/32
26670/30	1842/31	4769/31	6783/32
26672/30	2145/31	5160/31	6784/32
26736/30	2232/31	5194/31	6903/32
26763/30	2233/31	5379/31	7107/32
26818/30	2388/31	5439/31	7124/32
27215/30	2510/31	5477/31	7189/32
7449/32	11377/33	14049/33	16775/34

7580/32	11520/33	14051/33	16829/34
7632/32	11578/33	14237/33	17107/34
7696/32	11689/33	14417/33	17203/34
7729/32	11694/33	14509/33	17204/34
7786/32	11701/33	14511/33	17205/34
7808/32	11788/33	14512/33	17266/34
7810/32	11819/33	14602/33	17422/34
8442/32	11923/33	14646/33	17607/34
8933/32	11952/33	14814/33	17981/34
9045/32	12055/33	14815/33	18129/34
9163/32	12056/33	14816/33	18149/34
9170/32	12103/33	14935/33	18506/34
9171/32	12159/33	14936/33	18507/34
9336/32	12239/33	15080/33	18544/34
9509/32	12240/33	15082/33	18572/34
9511/32	12273/33	15134/33	18709/34
9606/32	12457/33	15178/33	18973/34
9879/32	12649/33	15354/33	19103/34
9920/32	12652/33	15449/33	19248/34
10396/32	12864/33	15555/33	19250/34
10493/32	12956/33	15556/33	19374/34
10658/32	13022/33	15609/33	19494/34
10711/32	13111/33	15650/33	19515/34
10757/33	13230/33	15889/34	19668/34
10761/33	13236/33	15907/34	19669/34
10765/33	13350/33	15908/34	19886/34
10836/33	13457/33	16063/34	20190/34
10837/33	13570/33	16064/34	20332/34
11037/33	13650/33	16187/34	20462/34
11119/33	13750/33	16188/34	20556/34
11190/33	13754/33	16276/34	20557/34
11175/33	13942/33	16278/34	20558/34
11212/33	13943/33	16357/34	20840/35
11287/33	13944/33	16369/34	20868/35
11344/33	14048/33	16670/34	20889/35
21220/35	24818/35	101,182	102,339
21537/35	25227/35	101,183	102,442
21649/35	25228/35	101,186	102,443
21764/35	25244/35	101,233	102,486
21846/35	25446/35	101,234	102,502
21956/35	25548/35	101,239	102,525

21958/35	25550/35	101,272	102,553
21996/35	25551/35	101,310	102,556
22392/35	719/36	101,337	102,619
22393/35	100,034	101,387	102,701
22394/35	100,035	101,394	102,757
22453/35	100,039	101,396	102,759
22497/35	100,040	101,616	102,765
22628/35	100,041	101,675	102,895
22770/35	100,051	101,729	102,896
22794/35	100,073	101,750	102,917
23096/35	100,171	101,761	102,922
23435/35	100,253	101,774	103,157
23805/35	100,287	101,834	103,160
23880/35	100,313	101,847	103,207
23965/35	100,483	101,920	103,208
24063/35	100,488	101,935	103,226
24065/35	100,533	101,945	103,232
24130/35	100,598	101,951	103,348
24160/35	100,651	101,962	103,523
24166/35	100,718	101,989	103,635
24210/35	100,723	102,066	103,640
24270/35	100,759	102,067	103,642
24271/35	100,886	102,090	103,663
24333/35	100,909	102,111	103,667
24400/35	100,935	102,163	103,669
24401/35	101,020	102,226	103,683
24435/35	101,033	102,227	103,779
24617/35	101,034	102,233	103,792
24647/35	101,042	102,263	103,797
24796/35	101,140	102,338	103,801
103,811	105,463	106,893	107,855
103,824	105,510	106,929	107,856
103,831	105,571	106,953	107,904
103,840	105,572	107,075	107,909
103,845	105,621	107,086	107,951
103,855	105,625	107,115	107,952
103,893	105,680	107,117	107,953
103,925	105,695	107,118	107,970
103,932	105,839	107,158	107,972
103,976	106,061	107,163	108,047
103,982	106,071	107,237	108,085

104,072	106,240	107,255	108,208
104,197	106,241	107,263	108,271
104,218	106,242	107,267	108,276
104,253	106,254	107,273	108,411
104,298	106,324	107,274	108,422
104,341	106,366	107,296	108,430
	106,416	107,355	108,449
104,342	106,473	107,376	108,450
104,496	106,522	107,421	108,525
104,596	106,536	107,425	108,569
104,624	106,579	107,514	108,571
104,640	106,597	107,563	108,575
104,646	106,634	107,565	108,613
104,663	106,635	107,575	108,637
104,700	106,636	107,639	108,639
104,762	106,646	107,654	108,652
104,785	106,681	107,689	108,653
104,786	106,700	107,737	108,671
104,824	106,772	107,762	108,673
104,896	106,775	107,763	108,707
104,955	106,776	107,817	108,794
105,130	106,806	107,818	108,874
105,132	106,820	107,819	108,876
105,225	106,872	107,823	108,944
105,260	106,873	107,844	108,948
105,311			
109,021	110,042	111,020	112,309
109,045	110,044	111,104	112,311
109,098	110,152	111,105	112,347
109,211	110,153	111,131	112,403
109,222	110,156	111,141	112,429
109,297	110,157	111,158	112,431
109,312	110,184	111,175	112,432
109,338	110,216	111,255	112,498
109,354	110,238	111,370	112,501
109,355	110,345	111,386	112,519
109,357	110,377	111,429	112,591
109,368	110,441	111,452	113,001
109,391	110,442	111,518	113,080
109,409	110,444	111,519	113,086
109,463	110,462	111,576	113,177

109,477	110,467	111,636	113,178
109,530	110,506	111,666	113,253
109,592	110,557	111,685	113,256
109,592	110,557	111,685	113,256
109,658	110,623	111,699	113,321
109,707	110,653	111,797	113,326
109,710	110,686	111,805	113,330
109,716	110,687	111,813	113,368
109,763	110,722	111,843	113,485
109,780	110,723	111,845	113,486
109,790	110,781	111,877	113,490
109,791	110,797	111,882	113,491
109,837	110,817	111,927	113,499
109,852	110,843	111,929	113,564
109,863	110,877	111,979	113,582
109,868	110,916	111,994	113,613
109,919	110,948	112,007	113,660
109,935	110,951	112,094	113,669
109,945	110,953	112,140	113,670
109,951	110,954	112,210	113,703
109,952	110,957	112,239	113,731
109,953	110,000	112,246	113,749
113,789	115,720	116,819	117,963
113,907	115,723	116,826	117,985
114,010	115,757	116,842	118,081
114,039	115,786	116,873	118,020
114,121	115,797	116,905	118,056
114,183	115,804	116,932	118,264
114,205	115,935	116,933	118,314
114,280	115,952	116,934	118,392
114,296	116,131	116,973	118,452
114,351	116,209	116,974	118,466
114,467	116,220	117,053	118,499
114,468	116,237	117,085	118,628
114,469	116,361	117,090	118,646
114,605	116,385	117,123	118,659
114,617	116,386	117,124	118,717
114,760	116,401	117,126	118,740
114,785	116,416	117,167	118,748
114,936	116,425	117,195	118,805
114,968	116,459	117,196	118,859
115,056	116,476	117,235	118,896

115,076	116,498	117,245	118,964
115,093	116,503	117,297	118,970
115,102	116,544	117,298	118,007
115,175	116,554	117,312	119,023
115,208	116,610	117,313	119,033
115,379	116,619	117,375	119,045
115,390	116,655	117,404	119,138
115,411	116,693	117,533	119,145
115,412	116,768	117,561	119,202
115,413	116,780	117,784	119,206
115,414	116,785	117,823	119,286
115,439	116,786	117,912	119,287
115,565	116,803	117,919	119,446
115,634	116,804	117,926	119,460
115,644	116,806	117,941	119,512
115,648	116,809	117,950	119,570
119,640	102,712	105,614	107,845
119,783	103,252	105,644	107,873
119,820	103,322	105,688	108,892
119,821	103,564	105,718	108,044
119,953	103,615	105,732	108,270
27911/30	103,616	105,883	108,302
28436/30	103,680	105,995	108,305
30576/30	103,665	106,105	108,350
2423/31	103,666	106,106	108,351
3262/31	103,765	106,182	108,550
4610/31	103,825	106,183	108,556
5373/31	103,826	106,298	108,576
5404/31	103,862	106,316	108,582
5426/31	103,904	106,454	108,583
5550/31	104,043	106,509	108,584
7456/32	104,048	106,564	108,586
10805/33	104,144	106,633	108,712
21266/35	104,508	106,637	108,730
21267/35	104,581	106,706	108,821
100,050	104,626	107,027	108,827
100,116	104,666	107,150	108,844
100,255	104,800	107,321	108,950
100,515	104,912	107,401	109,081
100,517	104,978	107,450	109,105
100,588	104,979	107,451	109,165

100,839	104,980	107,452	109,188
101,537	105,072	107,517	109,221
101,582	105,073	107,691	109,234
101,752	105,089	107,699	109,260
102,047	105,149	107,700	109,279
102,186	105,198	107,707	109,397
102,284	105,215	107,708	109,434
102,286	105,285	107,782	109,436
102,430	105,544	[illegible],783	109,479
102,572	105,545	[illegible]07,794	109,584
102,573	105,546	107,795	109,464
109,714	111,538	113,235	114,046
109,966	111,539	113,257	114,048
109,968	111,542	113,261	114,049
110,072	111,543	113,272	114,101
110,085	111,544	113,282	114,102
110,204	111,545	113,346	114,169
110,206	111,546	113,407	114,170
110,240	111,548	113,425	114,244
110,241	111,596	113,427	114,367
110,291	111,632	113,473	114,401
110,292	111,855	113,474	114,402
110,388	112,000	113,475	114,403
110,494	112,068	113,501	114,434
110,495	112,128	113,502	114,435
110,496	112,183	113,504	114,436
110,662	112,185	113,512	114,455
110,717	112,187	113,544	114,603
110,718	112,188	113,556	114,672
110,719	112,211	113,557	114,801
110,720	112,230	113,558	114,978
110,721	112,251	113,581	115,133
110,803	112,257	113,650	115,247
110,819	112,352	113,785	115,388
110,847	112,437	113,786	115,415
110,883	112,460	113,787	115,488
110,923	112,574	113,821	115,493
110,924	112,615	113,839	115,494
110,962	112,758	113,840	115,519
111,015	112,781	113,841	115,520
111,017	112,828	113,843	115,523

111,040	113,072	113,877	115,667
111,054	113,154	113,996	115,756
111,286	113,170	113,998	115,805
111,535	113,172	113,999	115,808
111,536	113,176	114,043	116,106
111,537	113,182	114,044	116,108
116,124	119,555	100,376	104,568
116,389	119,614	102,698	106,130
116,514	119,622	100,330	104,772
116,906	119,694	101,347	106,225
116,924	119,709	100,623	106,354
117,063	119,727	101,839	105,319
117,197	119,728	100,782	104,929
117,224	119,742	101,586	105,903
117,279	119,785	102,269	105,190
117,361	24053/29	101,231	105,453
117,366	24940/30	102,446	105,632
117,379	28261/30	102,682	106,628
117,457	28262/30	102,683	105,634
117,594	2099/31	102,749	105,840
117,738	15545/33	101,929	105,808
117,744	16095/34	102,790	105,191
117,873	19148/34	102,716	105,778
117,916	19189/34	102,383	106,172
117,999	19195/34	103,284	106,904
118,069	19562/34	102,878	106,359
118,102	19998/34	104,719	105,952
118,168	20614/34	103,242	105,396
118,430	21242/35	105,129	105,324
118,552	22275/35	103,228	105,992
118,660	22858/35	105,208	105,556
118,870	25823/35	104,359	106,175
118,874	261/36	103,879	107,406
118,897	734/36	105,221	106,468
118,928	735/36	105,746	107,448
119,039	1059/36	104,652	107,465
119,127	100,583	105,645	107,359
119,230	100,827	106,369	106,010
119,251	100,279	106,069	105,954
119,409	100,929	105,567	107,329
119,546	100,930	104,561	106,408

119,554	100,103	106,353	106,369
107,012	109,088	112,259	
106,013	108,724	111,219	
106,620	111,275	111,504	
106,982	109,320	112,451	
108,088	109,321	113,730	
106,714	109,178	113,312	
108,523	109,977	111,766	
107,069	110,802	111,865	
108,593	112,464	111,956	
107,091	110,967	111,786	
108,489	109,877	112,088	
107,307	111,090	117,436	
107,664	112,599	117,471	
107,434	112,465	118,361	
109,261	110,121	115,255	
109,285	112,425	114,678	
107,839	111,194	114,974	
107,537	111,195	115,089	
109,449	111,196	115,090	
107,775	110,320	115,091	
109,450	111,211	115,237	
107,840	111,197	114,774	
109,451	111,198	114,723	
107,732	111,212	114,724	
110,782	111,213	114,725	
109,730	112,493	115,060	
108,125	112,566	114,732	
109,304	112,600	114,733	
108,680	112,494	114,734	
110,437	112,466	114,735	
108,797	112,515	114,736	
109,056	111,214	114,737	
110,755	111,215	114,958	
111,001	111,216	116,499	
112,136	111,217	114,727	
109,136	112,016	115,338	
115,339	114,950	116,970	
114,869	117,713	116,465	
115,340	115,019	117,506	
115,086	114,961	115,694	

115,773	116,129	115,727
116,306	115,625	116,624
114,902	117,488	117,613
115,746	116,411	117,503
114,744	117,392	117,217
117,667	117,372	117,979
116,568	115,316	118,075
114,905	115,364	110,136

The Common Seal of Australian Radio Technical Services and Patents Company Proprietary Limited was hereto affixed by

and
two

Directors of the Company by order of the Board and in the presence of,

Secretary.

The Common Seal of Neutrodyne Proprietary Limited was hereto affixed by order of the Directors in the presence of

Secretary.

DEFENDANT'S EXHIBIT NO. 185.

(22/6/51)

MD.460/50

6th July 1950

The Hon. A. G. Warner,
Managing Director,
Neutrodyne Pty. Ltd.,
Grant Street,
South Melbourne.

Dear Mr. Warner,

With reference to the conversations between Mr. Bore, yourself and the writer yesterday, I confirm the understanding reached, as follows:—

1. The Agreements for both Australia and New Zealand between ARTSP and Neutrodyne will be extended for five years from 1st January 1951 except that as ARTSP payments to Philips will be raised to 16% in respect of both Australia and New Zealand, Neutrodyne's Australian percentage will be decreased from 25% to 23%, but ARTSP agrees to pay to Neutrodyne the sum of £1250. per annum for carrying out the duties described in Clause 17 of the present Australian Agreement between ARTSP and Neutrodyne.
2. Clause 15 of both the ARTSP/Neutrodyne Australian and New Zealand Agreements shall be modified to read:—

"If at any time additional members are admitted to the pool, then each of the present parties, that is, Amalgamated Wireless (Australasia) Ltd.,

Standard Telephones & Cables Pty. Ltd. Philips Electrical Industries of Australia Pty. Ltd. and Neutrodyne Pty. Ltd., shall contribute proportionately to all costs arising therefrom. Before the admission of any additional member or members the matter will be discussed by present parties and provided that at least three of the present parties are in agreement on the admission and conditions, then all parties shall be bound by the decision."

3. Clause 10 of the ARTSP/Neutrodyne Australian Agreement shall be modified to read (last proviso):—

"Provided always that Neutrodyne shall contribute 23% (Twenty-three per centum) of such legal costs charges and expenses as aforesaid and of any other legal expenses, indemnities and other such charges and expenses incurred by ARTSP in protecting the rights and property of itself and/or its licensees and/or licensors".

4. The last proviso of Clause 10 of the ARTSP/Neutrodyne New Zealand Agreement shall be modified to read as (3) above except that the contribution shall be 22%.

Yours faithfully,

(L. A. Hooke)
Managing Director.

LAH.EH

(22/6/51)

Neutrodyne Proprietary Limited
126-130 Grant Street,
South Melbourne, S.C.4

July 18, 1950

Mr. L. A. Hooke,
Managing Director
Amalgamated Wireless (Australasia) Pty. Ltd.,
47 York Street,
Sydney. N.S.W.

Dear Mr. Hooke,

I thank you very much for your letter of the 6th July setting out the conversations which took place, and the understandings which were reached between us.

I confirm the understandings as set out in your letter.

Yours truly,

(Signed). A. G. Warner
A. G. Warner,
Managing Director.

DEFENDANT'S EXHIBIT NO. 186.

Australian Radio Technical Services and Patents Pty. Ltd.
47 York Street, Sydney

2nd October 1953

The Hon. A. G. Warner,
Managing Director,
Electronic Industries Limited,
Box 845J G.P.O.,
Melbourne.

Dear Mr. Warner,

With reference to the meeting held on 28th September, I set out hereunder the agreement reached between the licensors:—

It was agreed by Mr. Warner (Electronic Industries Ltd.), Mr. Leddy (Philips Electrical Industries of Australia Ltd.), Mr. Bore (Standard Telephones & Cables Pty. Ltd.) and Mr. Hooke (Amalgamated Wireless (Australasia) Ltd.), on behalf of their respective companies—

(a) That the existing pool arrangements be continued for five years as from 1st July 1953.

(b) For the second two and a half years of the five year period (i.e., from 1st January 1956), division of pool revenue between Licensors to be subject to adjustment.

(c) Arrangements for further continuation of pooling Licensors' rights after the five year period to be a matter for future negotiation, such negotiation to commence at least twelve months prior to the end of the five year period.

(d) Any new basis for division of revenue agreed to

under (c) to be retrospective for the two and a half year period ending 30th June 1958, but should any party stay out of the pool after the five year period, no retrospective adjustment of revenue be made for that party.

(e) Any adjustment under (d) to be made out of, and as a first charge against, revenue received in respect of the period subsequent to 30th June 1958, so that Accounts for the previous period can be closed.

Yours sincerely,

(Sgd.)
(L. A. Hooke).

DEFENDANT'S EXHIBIT NO. 187.

Australian Radio Technical Services and
Patents Co. Pty. Ltd.
47 York Street, Sydney.

9th April, 1958

Sir Arthur Warner,
Managing Director,
Neutrodyne Proprietary Ltd.,
Box 845 J, G.P.O.
Belbourne. Vic.

Dear Sir Arthur,

With reference to the meeting held on 3rd April 1958, I set out hereunder the agreement reached between the Licensors:—

It was agreed by Mr. Bore and Mr. Cameron (Standard Telephones & Cables Pty. Ltd.), Sir Arthur Warner (Neutrodyne Pty. Ltd.), Mr. Leddy (Philips Electrical Industries Pty. Ltd.), Mr. Burnett (Electric & Musical Industries

Ltd.) and Sir Lionel Hooke (Amalgamated Wireless (Australasia) Ltd.) on behalf of their respective Companies:—

1. That the existing Agreements between the Licensors and A. R. T. S. in respect of Australian and New Zealand Patent Rights be and are hereby extended to 30th June 1960 subject to the following amendments as from 1st July 1957:—

(a) The payment by A. R. T. S. to Philips shall be 22.5% of the net revenue of A. R. T. S.

(b) The payment by A. R. T. S. to Neutrodyne shall be 21% of the net revenue of A. R. T. S.

(c) The payment by A. R. T. S. to E. M. I. shall be 12% of the net revenue of A. R. T. S.

2. The Agreement dated 11th June 1957 between Philips and A. R. T. S. in respect of the Parker Patent No. 140509 be and is hereby extended to 30th of June 1960.

3. As from 1st July 1956 payments to Philips under the above Agreement of 11th June 1957 in respect of the Parker patent be borne by A. R. T. S., Philips, Neutrodyne and E. M. I. in the same ratio as those Companies receive revenue from A. R. T. S.

4. All retrospective adjustments to be made out of future revenue.

I shall be glad if you will kindly indicate your agreement with the above by signing and returning the duplicate of this letter.

Yours truly,
(Sgd.)
J. F. Wilson,
Secretary,
Australian Radio Technical Services
and Patents Co. Pty. Ltd.

Agreed:
(Sgd.) A. G. Warner.
Date: 15.4.58

DEFENDANT'S EXHIBIT NO. 188.

License No. 1.

An Agreement made this ..... day of ..... 193..... Between Australian Radio Technical Serivces & Patents Company Pty. Limited having its registered office at 47 York Street Sydney in the State of New South Wales (hereinafter called "the Grantor") of the first part, and ..... of ..... (hereinafter called "the Licensee") of the second part

Whereas the Australian Radio Technical Services & Patents Company Pty. Limited has the right to grant licences to the extent purpose and for the period of this agreement for all patents owned or controlled by Amalgamated Wireless (Australasia) Limited, Standard Telephonse & Cables (A/SIA) Pty. Limited, N. V. Philips Gloeilampenfabrieken and Neutrodyne Proprietary Limited but only from the first day of March 1934 with respect to patents owned or controlled by Amalgamated Wireliess (Australasia) Limited and only from the second day of April 1934 with repsect to patents owned or controlled by Neutrodyne Proprietary Limited.

And Whereas the Licensee claims to be a bona fide manufacturer of wireless broadcast receiving apparatus and/or radio gramophones and as such manufacturer has applied to the Grantor to grant and the Gantor has agreed to grant to the Licensee a licence under the Letters Patent and upon the terms and conditions hereinafter mentioned and in consideration of the royalties herein reserved and assessed upon the basis agreed between the parties as being convenient. Now It Is Hereby Agreed As Follows:—

1. (a) The expression "Broadcast Receivers" when herein used shall mean broadcast receiving apparatus

(other than valves and loud speakers) for the reception of speech or music transmitted and intended for simultaneous reception by all listeners as distinct from point to point communication but only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payment) but not otherwise and shall not include such receivers combined with gramophones but shall include sets of component parts.

(b) The expression "Set of component parts" for broadcast receiving apparatus when herein used shall mean a number of component parts which are capable of being assembled so as substantially to constitute a broadcast receiver.

(c) The expression "Radiogramophone" when herein used shall mean a unitary instrument which is designed to incorporate valves (whether or not equipped with the valves themselves) and which is designed for the reproduction of sound through an electrically-operated loudspeaker alternatively from (a) apparatus designed for the reception and translation into sound of modulated electrical oscillations broadcast to the public and (b) apparatus (such as a turn-table and pick-up) designed for the translation into sound of vibrations recorded on a sound record. Such expression does not include valves and does not include any radiogramophones combined with other apparatus dependent thereon either wholly or in part for its operation but does include battery eliminator as hereinafter defined when incorporated in a radiophone and any set of component parts which are capable of being assembled to substantially constitute a radiogramophone.

(d) The expression "Battery Eliminator" when herein used shall mean an apparatus which renders unnecessary the use of one or more batteries in the operation of broad-

cast receiving apparatus or a radiogramophone by facilitating the substitution therefor of electricity mains.

(e) The word "Valve" (or "Valves") when herein used shall be deemed where the context so admits to include interalia a multiple valve a valve for rectifying electric current and other apparatus used in direct substitution for a valve.

(f) The expression "Multiple Valve" when herein used shall mean a valve designed to operate with more than one cathode-anode stream.

(g) The expression "Place of Public Entertainment" when herein used shall mean a place of public entertainment now existing or which during the subsistence of this Licence may exist and at which entertainment tax is or shall be payable or would be payable but for any statutory exemption granted subsequent to the first day of January, 1934. If during the subsistence of this Licence entertainment tax should be abolished then thereafter the expression shall mean a place of public entertainment now existing or which during the subsistence of this Licence may exist of the character of those places of public entertainment at which at the present time entertainment tax is in fact payable or would be payable but for any statutory exemption granted subsequent to the first day of January, 1934.

(h) The expression "Private or Domestic Use" as used herein shall be deemed to include also the manufacture and sale of broadcast receiving apparatus and radiogramophones to proprietors of for use in Public Houses Hotels Boarding Houses Restaurants Cafes Tea Houses and/or small Dance Halls (only) Provided that such are not attached to or do not form part of a theatre or cinema.

(i) The expression "Selling" when herein used shall be deemed to include selling on the so-called hire-purchase system.

2. (a) The Grantor grants and agrees to grant to the

Licensee subject to the terms and conditions herein appearing a personal non-exclusive non-assignable license to use and exercise all or any of the inventions the subject of the Letters Patent applicable to broadcast receiving apparatus and radiogramophones respectively in respect of which and insofar as the Grantor now has or may hereafter during the subsistence of this Licence have power to grant Licenses or Sub-Licences for the purposes and on the terms hereof (which Letters Patent are herein collectively called "the said Letters Patent") for the purpose of manufacturing using selling or letting on hire within the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth (a) broadcast receiving apparatus and (b) radiogramophones but in both cases only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public generally and not being held for payment) and not otherwise. Such Licence shall be deemed to have commenced on the first day of January 1934 insofar as relates to the patents owned or controlled by Standard Telephones & Cables (A/SIA) Pty. Limited, N. V. Philips Gloeilampenfabrieken respectively and on and from the first day of March 1934 insofar as relates to the patents owned or controlled by Amalgamated Wireless (A/sia) Limited and on and from the second day of April 1934 insofar as relates to the patents owned or controlled by Neutrodyne Proprietary Limited and shall continue until the thirty-first day of December 1938 unless previously revoked as hereinafter provided.

(b) The Licensee undertakes that all companies or firms now or hereafter during the subsistence of this Licence directly or indirectly owned or controlled by the Licensee and all Companies or Firms formed by the Licensee during the

subsistence of this Licence and directly or indirectly owning or controlling the Licensee shall if engaged in any field of business to which this Licence is applicable forthwith accept Licences from the Grantor upon the same terms as this Licence and the Grantor agrees to grant such Licences accordingly. If the Licensee shall become directly or indirectly owned or controlled by a company or firm which does not hold or forthwith obtain a Licence from the Grantor upon the same terms as this Licence the Grantor shall be at liberty to revoke this Licence.

3. (a) Nothing contained herein shall be deemed to license the Licensee to manufacture sell or let on hire

(a) valves or any kind, or
(b) loudspeakers of any kind, or
(c) television receiving apparatus.

(b) Nothing herein contained shall be deemed to license the Licensee to manufacture sell or let on hire any individual component part of broadcast receiving apparatus or a radiogramophone other than in and forming part of broadcast receiving apparatus or a radiogramophone other than in and forming part of broadcast receiving apparatus or radiogramophone.

(c) The Licence hereby granted shall not authorise the use or exercise of broadcast receiving apparatus or any radiogramophone for any purpose whatsoever other than the purposes herein set forth and in particular shall not authorise the use or exercise of any of the said apparatus by operating the same for revenue-earning purposes. Nor shall this Licence authorise the use or exercise of any of the said apparatus for purposes of receiving broadcasting or operating any radiogramophone in relation in any manner to the service of any place of public entertainment or of any place in which any business requiring any Licence from public authority is conducted (except insofar as such use

is authorised under the definition of "private and domestic use") or for use with a microphone.

4. The Licensee agrees with the Grantor as follows:—

(a) Not without the previous written consent of the Grantor to export or sell for export or knowingly permit to be exported any broadcast receiving apparatus or radiogramophone.

(b) Not without the previous written consent of the Grantor to sell let on hire or put into use in the territory for which this Licence is granted any broadcast receiving apparatus or radiogramophones which have not been manufactured in the territory for which this Licence is granted.

(c) From time to time on the request of the Grantor to furnish to the Grantor diagrams and/or samples of all broadcast receiving apparatus and radiogramophones for the time being manufactured sold or let on hire by the Licensee.

(d) To attach or cause to be attached in a prominent position to all broadcast receiving apparatus and radiogramophones sold or put into use by the Licensee (or in the case of sets of component parts of such apparatus to supply for attachment by the constructor to the assembled apparatus) a plate indicating the number of valves (as hereinbefore defined but subject to the provisos contained in Sub Clauses (f) (i) and (ii) of this Clause) on which the royalty for such apparatus is payable and being the following words:

With respect to broadcasting receiving apparatus

"No. .....This instrument was manufactured under a license granted by Australian Radio Technical Services and Patents Company Pty. Limited in respect of patents controlled by it for the reception in the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth of sound broadcast by wireless

but only for private use and not for operation for any public or commercial or revenue-earning purpose. N.B. —A Post Office Licence is necessary."

With respect to radiogramophones:—

"No. ..... This instrument is manufactured under a licence granted by the Australian Radio Technical Services and Patents Company Pty. Limited in respect of patents controlled by it for the reception in the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth of sound broadcast by wireless and for the reproduction within the said territory of sound from records but only for private use and not for operation for any public or commercial or revenue-earning purpose. N.B.—A Post Office Licence is necessary."

Such plates shall be obtained only from and shall be supplied by the Grantor and no such plate shall be removed from any apparatus to any other without the previous consent in writing of the Grantor and no apparatus shall be considered as duly franked hereunder unless such plate be attached thereto. In addition if required the Licensee shall mark in accordance with the requirements of the Patent Acts of the Commonwealth of Australia or any amendments thereof made during the subsistence of this License all apparatus manufactured sold let on hire or put into use by the Licensee hereunder.

(e) So far as is reasonably practicable to make the conditions of this License a condition of every sale or hire binding upon and observable by every purchaser or hirer or any broadcast receiving apparatus or any radiogramophone sold or put into use by the Licensee.

(f) To pay to the Grantor by way of royalty:

(i) In respect of each and every broadcast receiving apparatus sold let on hire or put into use by the

Licensee employing or designed to employ a valve or valves

(a) in respect of patents owned or controlled by Standard Telephones & Cables (A/sia) Pty. Limited and N. V. Philips Gloeilampenfabrieken from the first day of January 1934 up to and including the twenty-eighth day of February 1934 the sum of one shilling and sixpence (1/6d.) and

(b) on and from the first day of March 1934 the sum of three shillings and sixpence (3/6d.)

in respect of each and every valve included or intended to be employed therein whether or not such apparatus embodies or utilises or is designated or intended to embody or utilise any invention the subject of any of the said Letters Patent Provided that in the case of multiple valves employed or intended to be employed in such broadcast receiving apparatus each and every cathode-anode stream contained therein shall be deemed to be one valve and the royalty shall be calculated accordingly:

(ii) in respect of each and every radiogramophone sold or let on hire or put into use by the Licensee employing or designed to employ a valve or valves (a) the sum of three shillings and sixpence (3/6d.) in respect of each and every vavle employed or intended to be employed therein and in addition (b) the sum of three shillings and sixpence (3/6d.) whether or not such radiogramophone embodies or utilises or is designed or intended to embody or utilise any invention the subject of any of the said Letters Patent Provided that in the case of multiple valves employed or intended to be employed in such radiogramophone each and every cathode-anode stream contained therein shall be deemed to be one valve and the royalty shall be calculated accordingly.

Provided that at the end of each year of the term of the Licence granted to any Licensee an account shall be prepared by the Grantor showing the amount of royalties paid by such Licensee during such year under paragraph (i) of this sub-clause and such Licensee shall according to the Licensee's actual output of Broadcast Receivers during such year be entitled to a reduction on the royalties so paid by him calculated on the basis of the difference between the royalties so paid by the Licensee and the rates of royalty set out in the schedule hereto and the amount of such difference which may be payable to such Licensee shall be credited to such Licensee by the Grantor.

Provided Always that no royalty shall be payable under paragraphs (i) and (ii) of this Sub-Clause (f) in respect of a battery eliminator incorporated in and forming part of a complete broadcast receiver or radiogramophone and Provided Always that in respect of broacast receiving apparatus or radiogramophones manufactured or sold by the Licensee which employ any patent under which the Grantor may become liable to pay a royalty to a third party or share a royalty with a third party the Grantor shall offer to the Licensee and the Licensee may accept the right to the inclusion in this licence of that patent on payment to the Grantor of an additional royalty of such amount as may be required to enable the Grantor out of the total royalties paid by the Licensee both to retain the royalties payable under paragraphs (i) and (ii) of this Sub-Clause (f) and to satisfy the terms of the Licence or Agreement under which royalty is or shall be payable by the Grantor. The Grantor shall if so required in writing by the Licensee furnish the Licensee with proof of the third party's claim to royalty. The Grantor shall upon request of the Licensee and the Licensee shall upon request of the Grantor permit the Grantor to examine free of charge diagrams and/or samples of broadcast receiving apparatus

and radiogramophones manufactured or proposed to be manufactured by the Licensee and advise whether such apparatus embodies or utilises any invention the subject of any of the said Letters Patent under which the Grantor may be liable for royalty to a third party as herein mentioned. The Grantor shall inform the Licensee of the amount of any such additional royalty and any such additional royalty shall be shown separately in the returns hereinafter mentioned.

(g) Keep proper and accurate and separate accounts of everything necessary to ensure an accurate return to be made each calendar month in conformity with any of the provisions of this Licence showing separately the royalties payable under each of the paragraphs (i) and (ii) of the last preceding Sub-Clause (f) and to render such accounts within fifteen (15) days of the last day of each calendar month in each year to such person as the Grantor may designate to the Licensee from time to time and to accompany each such account with a remittance in respect of the royalties thereby shown to be due. In the event that the Licensee fails to keep the books of account above mentioned in addition to any other rights and remedies the Grantor may have the Licensee agree to pay to the Grantor the amount of royalty which the Grantor made by notice in writing to the Licensee stipulate as the amount estimated to be due unless the Licensee proves that the royalty due should be some other amount.

(h) The Licensee shall furnish monthly returns verified by the Auditor of the Licensee or by a Statutory Declaration of the proper officer and in the event of any dispute shall permit the Grantors to appoint a Public Accountant to inspect the books and accounts of the Licensees relative to this License.

(i) To pay to the Grantor on the execution hereof for the first yearly period of this Licence and thereafter so long

as the Licensee shall continue to manufacture, sell, let on hire or put into use broadcast receivers and/or radiogramophones in advance each year during the period of this Licence the sum of one hundred and fifty pounds (£150) as minimum royalty for the yearly period, which sum shall in no event be returnable but from the initial minimum royalty payment under tthis Clause shall be deducted and regarded as full settlement of all claims for past infringement of patents owned or controlled by Standard Telephones and Cables (A/sia) Pty. Limited, as distinct from any claims under any patents owned or controlled by Amalgamated Wireless (Australasia) Limited or others the sum of ten pounds (£10) for every one thousand (1000) broadcast receivers manufactured during one year by the Licensee. For the purpose of computing such number the production of the Licensee for the quarter ending 31st March 1934 will be taken as the basis.

(j) Not at any time during the subsistence hereof to dispute or impeach or to assist others to dispute or impeach the validity of the said Letters Patent.

(k) Not without the previous written consent of the Grantor to sell or let on hire or put into use or permit to be sold let on hire or put into use any broadcast receiving apparatus or any radiogramophone except under the Licensee's own trade mark or trade name or any other trade mark or trade name which may be approved by the Grantors from time to time.

(l) Not to assign transfer mortgage grant sub-licences under or in any manner part with the possession or control of this Licence or any part of it without the previous written consent of the Grantor.

5. During the subsistence of this Licence the Grantor will keep the Licensee fully indemnified against costs and damages arising in connection with all actions proceedings claims and demands which may be made against the Li-

censee by any third party who seeks to establish or establishes to the satisfaction of a court of competent jurisdiction within the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth his right to restrain the user and exercise by the Licensee under the Grant contained under this Licence for any of the said Letters Patent on the ground that such user and exercise is an infringement of any legal rights or legal interests of such third party in such Letters Patent Provided Always that the Grantor is immediately informed of the institution of such proceedings and is given full and complete rights to take over at its own cost and through its own solicitors the defence of such proceedings if it so requests and in that event the Licensee shall assist the Grantor in every reasonable manner but the Grantor shall be at liberty to compromise submit to judgment in abandon discontinue or otherwise dispose of the same as to it may seem expedient.

6. The Grantor may revoke this Licence upon the happenings of any of the following events:

(a) If any royalty return or any royalty shown to be due is not rendered or is unpaid for thirty days (30) after the last day of any preceding month and remains unrendered or unpaid for seven days after notice in that behalf from the Grantor, or

(b) If there be any breach on the part of the Licensee of any other of the Agreements herein contained and the same be not remedied made good or desisted from within seven (7) days of notice on that behalf from the Grantor; or

(c) If the Licensee shall become bankrupt or compound with his creditors or (being a company) shall go into liquidation whether voluntary or compulsory;

any revocation of this Licence shall be without prejudice to all claims of the Grantor against the Licensee for out-

standing royalties or prior breaches of this Licence or otherwise and also without prejudice to the provision of Clause 7 hereof.

7. (a) The Licensee agrees to grant to the Grantor upon request a non-exclusive non-transferable licence (but with the right to sub-licence subsidiary or associated companies) to make use exercise and vend all or any of the inventions the subject of Letters Patent applicable to broadcast receiving apparatus and/or radiogramophone in respect of which and insofar as the Licensee has or shall hereafter have power to grant a licence for the purposes of manufacturing using selling or hire within the Commonwealth of Australia and such territories as may from time to time be administered under mandate by said Commonwealth broadcast receiving apparatus and for radiogramophones but only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public generally and not being held for payment) and not otherwise.

(b) If any invention in respect of which any such licence is herein agreed to be granted by the Licensee comes within the scope of the claims of any Letters Patent in respect of which the Licence is granted or agreed to be granted hereunder by the Grantor then the Grantor shall pay no royalty. If any such invention does not come within the scope as aforesaid then the Grantor shall be entitled to such licence on payment of a royalty at a rate not exceeding the lowest rate paid by any Licensee in respect of the same invention or if there is no other Licensee then at a rate not exceeding five per cent. (5%) of the net selling price of the article manufactu ed in accordance therewith or (whether or not there is another licensee) not exceeding the rate paid by the Licensee to the Grantor hereunder whichever is the smaller.

(c) Any such licence granted by the Licensees shall continue until the thirty-first day of December 1938 or for such other period as may be agreed upon.

In Witness Whereof the parties hereto have duly executed these presents the day and year first hereinbefore written.

The Schedule Herein Referred to.

Annual Output of Broadcast Receivers employing or designed to employ the following aggregate number of valves as herein defined.	Rate per valve as defined excluding Rectifier, from 1st Jan. 1934	from 1st Mar. 1934
4 to 1999	1/6	3/6
2000 " 3999	1/5½	3/5
4000 " 5599	1/5	3/4
5600 " 7199	1/4½	3/3
7200 " 9999	1/4	3/2
10000 " 12879	1/3½	3/1
12880 " 17999	1/3	3/–
18000 " 23199	1/2½	2/11
23200 " 35999	1/2	2/10
36000 " 43999	1/1½	2/9
44000 " 59999	1/1	2/8
60000 " 75999	1/0½	2/7
76000 " 105999	1/–	2/6
106000 " 135999	11½	2/5
136000 " 191999	11	2/4
192000 " 245999	10½	2/3
246000 " 243999	10	2/2
344000 " 442799	9½	2/1
442800 and over	9	2/–

The above rebates do not apply to Radiogramophones.

The Common Seal of Australian Radio Technical Services & Patents Company Pty. Limited was hereunder affixed by

..... and

.....

Secretary.

..... in the presence of .....

Seal.

License No. 1.

Dated the day of

193

Australian Radio Technical Services and Patents Company Pty. Limited

to

License

To use and exercise certain Australian Letters Patent for certain specific purposes as within in connection with Wireless Broadcast Receiving Apparatus and/or Radiogramophones.

DEFENDANT'S EXHIBIT NO. 189.

License No. 3.

An Agreement made this ..... day of ....., 19..... Between Australian Radio Technical Services & Patents Company Pty. Limited having its registered office at 47 York Street Sydney in the State of New South Wales (hereinafter called "the Grantor") of the first part, and ..... of ..... (hereinafter called "the Licensee") of the second part.

Whereas the Australian Radio Technical Services & Patents Company Pty, Limited has the right to grant licences to the extent purpose and for the period of this agreement for all patents owned or controlled by Amalgamated Wireless (Australasia) Limited, Standard Telephones & Cables (A/SIA) Pty. Limited, N. V. Philips

Gloeilampenfabrieken and Neutrodyne Proprietary Limited.

And Whereas the Licensee claims to be a bona fide manufacturer of wireless broadcast receiving apparatus and/or radio gramophones and as such manufacturer has applied to the Grantor to grant and the Grantor has agreed to grant to the Licensee a licence under the Letters Patent and upon the terms and conditions hereinafter mentioned and in consideration of the royalties herein reserved and assessed upon the basis agreed between the parties as being convenient. Now It Is Hereby Agreed As Follows:—

1. (a) The expressions "Broadcast Receivers" and "Broadcast receiving apparatus" when herein used shall each mean broadcast receiving apparatus (other than valves and loud speakers) for the reception of speech or music transmitted and intended for simultaneous reception by all listeners as distinct from point to point communication but only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable education philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payment) and not otherwise and shall not include such receivers combined with gramophones but shall include sets of component parts.

(b) The expression "Set of component parts" for broadcast receiving apparatus when herein used shall mean a number of component parts which are capable of being assembled so as substantially to constitute a broadcast receiver.

(c) The expression "Radiogramophone" when herein used shall mean a unitary instrument which is designed to incorporate valves (whether or not equipped with the valves themselves) and which is designed for the reproduction of sound through an electrically-operated loudspeaker alternatively from (a) apparatus designed for the reception and translation into sound of modulated elec-

trical oscillations broadcast to the public or from (b) apparatus (such as a turntable and pick-up) designed for the translation into sound of vibrations recorded on a sound record but which is only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable, educational philantropic or religions character (such lectures or demonstrations not being open to the public and not being held for payment) and not otherwise. Such expression does not include valves and does not include any radiogramophones combined with other apparatus dependent thereon either wholly or in part for its operation but does include battery eliminators as hereinafter defined when incorporated in a radiogramophone and any set of component parts which are capable of being assembled to substantially constitute a radiogramophone.

(d) The expression "Battery Eliminator" when herein used shall mean an apparatus which renders unnecessary the use of one or more batteries in the operation of broadcast receiving apparatus or a radiogramophone by facilitating the substitution therefor of electricity mains.

(e) The word "Valve" (or "Valves") when herein used shall be deemed where the context so admits to include *inter alia* a multiple valve a valve for rectifying electric current and other apparatus used in direct substitution for a valve.

(f) The expression "Multiple Valve" when herein used shall mean a valve designed to operate with more than one cathode-anode stream.

(g) The expression "Place of Public Entertainment" when herein used shall mean a place of public entertainment now existing or during the subsistence of this Licence may exist and at which entertainment tax is or shall be payable or would be payable but for any statutory

exemption granteed subsequent to the first day of January 1939. If during the subsistence of this Licence entertainment tax should be abolished then thereafter the expression shall mean a place of public entertainment now existing or which during the subsistence of this Licence may exist of the character of those places of public entertainment at which at the present time entertainment tax is in fact payable or would be payable but for any statutory exemption granted subsequent to the first day of January 1939.

(h) The expression "Private or Domestic Use" as used herein shall be deemed to include also the use in Public Houses, Hotels, Boarding Houses, Restaurants, Cafes, Tea Houses and/or small Dance Halls (only) Provided that such are not attached to or do not form part of a theatre or cinema.

(i) The expression "Selling" when herein used shall be deemed to include selling on the so-called hire-purchase system.

(j) The word "Plate" when herein used shall be deemed to include transfer.

2. (a) The Grantor grants and agrees to grant to the Licensee subject to the terms and conditions herein appearing a personal non-exclusive non-assignable license to use and exercise all or any of the inventions the subject of the Letters Patent applicable to broadcast receiving apparatus and radiogramophones respectively in respect of which and insofar as the Grantor now has or may hereafter during the subsistence of this Licence have power to grant Licences or Sub-Licences for the purposes and on the terms hereof (which Letters Patent are herein collectively called "the said Letters Patent") for the purpose of manufacturing using selling or letting on hire within the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Com-

monwealth (a) broadcast receiving apparatus and (b) radiogramophones but in both cases only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public generally and not being held for payment) and not otherwise. Such Licence shall be deemed to have commenced on the first day of January 1939, and shall continue until 31st day of December 1943, unless previously revoked as hereinafter provided.

(b) The Licensee undertakes that all companies or firms now or hereafter during the subsitence of this Licence directly owned or controlled by the Licensee and all Companies or Firms formed by the Licensee during the subsistence of this Licence and directly or indirectly owning or controlling the Licensee shall if engaged in any field of business to which this Licence is applicable forthwith accept Licences from the Grantor upon thhe same terms as this Licence and the Grantor agrees to grant such Licences accordingly. If the Licensee shall become directly or indirectly owned or controlled by a company or firm which does not hold or forthwith obtain a Licence from the Grantor upon the same terms as this Licence the Grantor shall be at liberty to revoke this Licence.

3. (a) Nothing contained herein shall be deemed to license the Licensee to manufacture sell or let on hire

(a) vales of any kind, or
(b) loudspeakers of any kind, or
(c) television receiving apparatus.

(b) Nothing herein contained shall be deemed to license the Licensee to manufacture sell or let on hire any individual component part of broadcast receiving apparatus or a radiogramophone other than in the forming part of broadcast receiving apparatus or a radiogramophone.

(c) The Licence hereby granted shall not authorise the use or exercise of broadcast receiving apparatus or any radiogramophone for any purpose whatsoever other than the purposes herein set forth and in particular shall not authorise the use or exercise of any of the said apparatus by operating the same for revenue-earning purposes. Nor shall this Licence authorise the use or exercise of any of the said apparatus for purposes of receiving broadcasting or operating any radiogramophone in relation in any manner to the service of any place of public entertainment or of any place in which any business requiring any Licence from public authority is conducted (except insofar as such use is authorised under the definition of "private and domestic use") or for use with a microphone.

4. The Licensee agrees with the Grantor as follows:—

(a) Not without the previous written consent of the Grantor to export or sell for export or knowingly permit to be exported any broadcast receiving apparatus or radiogramophone.

(b) Not without the previous writen consent of the Grantor to sell or hire or offer or expose for sale or hire in the territory for which this licence is granted any broadcast receiving apparatus or radiogramophones which have not been manufactured in the territory for which this Licence is granted.

(c) From time to time on the request of the Grantor to furnish to the Grantor diagrams and/or samples of all broadcast receiving apparatus and radiogramophones for the time being manufactured sold or let on hire by the Licensee.

(d) To attach or cause to be attached in a prominent position to all broadcast receiving apparatus and radiogramophones sold or hired or offered or exposed for sale or hire by the Licensee (or in the case of a set of component part for such apparatus to supply for attachment to the

assembled apparatus by the constructor thereof) a plate marked by the Grantor with a Serial Number determined by the Grantor and indicating the number of valves (as hereinbefore defined but subject to the provisoes contained in Sub-Clauses (f) (i) and (ii) of this Clause) on which the royalty payable hereunder is calculated and bearing the following words:

With respect to Broadcast receiving apparatus:—

> "No. ..... This instrument was manufactured under a licence granted by Autralian Radio Technical Services and Patents Company Pty. Limited in respect of patents controlled by it for the reception in the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth of sound broadcast by wireless but only for private or domestic use and not for operation for any public or commercial or revenue-earning purpose. N.B.—A Post Office Licence is necessary."

With respect to radiogramophones:—

> "No. ..... This instrument is manufactured under a licence granted by the Australian Radio Technical Services and Patents Company Pty. Limited in respect of patents controlled by it for the reception in the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth of sound broadcast by wireless and for the reproduction within the said territory of sound from record but only for private or domestic use and not for operation for any public or commercial or revenue-earning purpose. N.B.—A Post Office Licence is necessary."

Plates complying with the above may be obtained from the Grantor and no such plate shall be removed from any Broadcast Receiver or radiogramophone to any other apparatus without the previous consent in writing of the Grantor and no Broadcast Receiver or radiogramophone shall be or

be deemed to be licensed hereunder unless such a plate be attached thereto and the absence of such a plate from any Broadcast Receiver or radiogramophone shall be conclusive evidence that the same is not licensed hereunder. In addition if required by law the Licensee shall further mark in accordance with the requirements of the Patent Act of the Commonwealth of Australia or any amendments thereof made during the subsistence of this License all Broadcast Receivers of radiogramophones covered by this License which are manufactured sold let on hire or put into use by the Licensee.

(e) So far as is reasonably practicable to make the conditions of this Licence a condition of every sale or hire binding upon and observable by every purchaser or hirer of any broadcast receiving apparatus or any radio-gramophone sold or hired or offered or exposed for sale or hire by the Licensee.

(f) To pay to the Grantor by way of royalty:—

(i) In respect of each and every broadcast receiving apparatus sold or hired or offered or exposed for sale or hire by the Licensee employing or designed to employ a valve or valves the sum of three shillings and sixpense (3/6d.) in respect of each and every valve included or intended to be employed therein whether or not such apparatus embodies or utilises or is designed or intended to embody or utilise any invention the subject of any of the said Letters Patent Provided that in the case of multiple valves employed or intended to be employed in such broadcast receiving apparatus each and every cathode-anode stream contained therein shall be deemed to be one valve and the royalty shall be calculated accordingly;

(ii) In respect of each and every radiogramophone sold or hired or offered or exposed for sale or hire by the Licensee employing or designed to employ a valve

or valves (a) the sum of three shillings and six-pense (3/6d.) in respect of each and every valve employed or intended to be employed therein and in addition (b) the sum of three shillings and sixpense (3/6d.) whether or not such radiogramophone embodies or utilises or is designed or intended to embody or utilise any invention the subject of any of the said Letters Patent Provided that in the case of multiple valves employed or intended to be employed in such radiogramophone each and every cathode-anode stream contained therein shall be deemed to be one valve and the royalty shall be calculated accordingly.

Provided that at the end of each year of the term of the Licensee [not legible] paid by the Licensee and the rates of royalty set out in the schedule hereto and the amount of such difference which may be payable to such Licensee shall be credited to such Licensee by the Grantor. Provided always that no progressive or annual rebate whatsoever will be credited or allowed in the event of any default by the licensee in making any royalty return or payment on due date pursuant to Clause 4 Sub-Clause (g).

Provided Always that no royalty shall be payable under paragraphs (i) and (ii) of this Sub-Clause (f) in respect of a battery climinator incorporated in and forming part of a complete broadcast receiver or radiogramophone and Provided Always that in respect of broadcast receiving apparatus or radiogramophones manufactured or sold by the Licensee which employ any patent under which the Grantor may become liable to pay a royalty to a third party or share a royalty with a third party the Grantor shall offer to the Licensee and the Licensee may accept the right to the inclusion in this licence of that patent on payment to the Grantor of an additional royalty of such amount as may be required to enable the Grantor out of the total royalties

under paragraphs (i) and (ii) of this Sub-Clause (f) and paid by the Licensee both to retain the royalties payable to satisfy the terms of the Licence or Agreement under which royalty is or shall be payable by the Grantor. The Grantor shall if so required in writing by the Licensee furnish the Licensee with proof of the third party's claim to royalty. The Grantor shall upon request of the Licensee and the Licensee shall upon the request of the Grantor permit the Grantor to examine free of charge diagrams and/or samples of broadcast receiving apparatus and radio-gramophones manufactured or proposed to be manufactured by the Licensee and advise whether such apparatus embodies or utilises any invention the subject of any of the said Letters Patent under which the Grantor may be liable for royalty to a third party as herein mentioned. The Grantor shall inform the Licensee of the amount of any such additional royalty and any such additional royalty shall be shown separately in the returns hereinafter mentioned.

(g) Keep proper and accurate and separate accounts of everything necessary to ensure an accurate return to be made each calendar month in conformity with any of the provisions of this Licence showing separately the royalties payable under each of the paragraphs (i) and (ii) of the last preceding Sub-Clause (f) and to render such accounts within thirty (30) days of the last day of each calendar month in each year to such person as the Grantor may designate to the Licensee from time to time and to accompany each such account with a remittance in respect of the royalties thereby shown to be due. In the event that the Licensee fails to keep the books of account above mentioned in addition to any other rights and remedies the Grantor may have the Licensee agrees to pay to the Grantor the amount of royalty which the Grantor may by notice in writing to the Licensee stipulate as the amount estimated

to be due unless the Licensee proves that the royalty due should be some other amount.

(h) The Licensee shall furnish monthly returns verified by the Auditor of the Licensee or by a Statutory Declaration of the proper officer and in the event of any dispute shall permit the Grantors to appoint a Public Accountant to inspect the books and accounts of the Licensees relative to this Licence.

(i) To pay to the Grantor on the execution hereof for the first yearly period of this Licence and thereafter so long as the Licensee shall continue to manufacture sell or hire or offer or expose for sale or hire broadcast receivers and/or radiogramophones in advance each year during the period of this Licence the sum of one hundred and fifty pounds (£150) as minimum royalty for the yearly period, which sum shall in no event be returnable.

(j) Not at any time during the subsistence hereof to dispute or impeach or to assist others to dispute or impeach the validity of the said Letters Patent.

(k) Not to assign transfer mortgage grant sub-licences under or in any manner part with the possession or control of this Licence or any part of it without the previous written consent of the Grantor.

5. During the subsistence of this Licence the Grantor will keep the Licensee fully indemnified against costs and damages arising in connection with all actions proceedings claims and demands which may be made against the Licensee by any third party who seeks to establish or establishes to the satisfaction of a court of competent jurisdiction within the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth his right to restrain the user and exercise by the Licensee under the Grant contained under this Licence of any of the said Letters Patent on the ground that such user and exercise

is an infringement of any legal rights or legal interests of such third party in such Letters Patent Provided Always that the Grantor is immediately informed of the institution of such proceedings and is given full and complete rights to take over at its own cost and through its own solicitors the defence of such proceedings if it so requests and in that event the Licensee shall assist the Grantor in every reasonable manner but the Grantor shall be at liberty to compromise submit to judgment in abandon discontinue or otherwise dispose of the same as to it may seem expedient.

6. The Grantor may revoke this Licence upon the happenings of any of the following events:—

(a) If any royalty return or any royalty shown to be due is not rendered or is unpaid for thirty days (30) after the last day of any preceding month and remains unrendered or unpaid for seven days after notice in that behalf from the Grantor, or

(b) If there be any breach on the part of the Licensee of any other of the Agreements herein contained and the same be not remedied made good or desisted from within seven (7) days of notice on that behalf from the Grantor; or

(c) If the Licensee shall become bankrupt or compound with his creditors or (being a company) shall go into liquidation whether voluntary or compulsory;

any revocation of this Licence shall be without prejudice to all claims of the Grantor against the Licensee for outstanding royalties or prior breaches of this Licence or otherwise and also without prejudice to the provision of Clause 7 hereof.

7. (a) The Licensee agrees to grant to the Grantor upon request a non-exclusive non-transferable licence (but with the right to sub-licence subsidiary or associated companies) to make use exercise and vend all or any of the

inventions the subject of Letters Patent applicable to broadcast receiving apparatus and/or a radiogramophone in respect of which and insofar as the Licensee has or shall hereafter have power to grant a licence for the purposes of manufacturing using selling or letting on hire within the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth broadcast receiving apparatus and/or radiogramophones but only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public generally and not being held for payment) and not otherwise.

(b) If any invention in respect of which any such licence is herein agreed to be granted by the Licensee comes within the [not legible] in accordance therewith or (whether or not there is another licensee) not exceeding the rate paid by the Licensee to the Grantor hereunder whichever is the smaller.

(c) Any such licence granted by the Licensee shall continue until the thirty-first day of December 1943 or for such other period as may be agreed upon.

In Witness Whereof the parties hereto have duly executed these presents the day and year first hereinbefore written.

The Schedule Herein Referred To.

Annual Output of Broadcast Receivers employing or designed to emply the following aggregate number of valves as herein defined.	Rates per valve as defined excluding Rectifier,
1 to 2,500	3/6
2,501 " 5,000	3/5
5,001 " 7,500	3/4
7,501 " 10,000	3/3
10,001 " 12,500	3/2

12,501	" 15,000	3/1
15,001	" 17,500	3/–
17,501	" 20,000	2/11
20,001	" 30,000	2/10
30,001	" 40,000	2/9
40,001	" 50,000	2/8
50,001	" 60,000	2/7
60,001	" 70,000	2/6
70,001	" 125,000	2/5
125,001	" 200,000	2/4
200,001	" 300,000	2/3
300,001	" 400,000	2/2
400,001	" 500,000	2/1
500,001	and over	2/–

The above rebates do not apply to Radiogramophones.

8. The Licensee in lieu of paying the minimum royalty mentioned in Clause 4 (i) hereof shall furnish a guarantee in a form to be settled by the Grantor by some person or persons to be approved by the Grantor for the payment of royalties in terms of the Licence Provided also that the Licensee shall not be [not legible].

The Common Seal Of Australian Radio Technical Services & Patents Company Pty. Limited was hereunto affixed by .....
and .....
two Directors of the Company by order of the Board in the presence of

.....

Secretary.

Seal.

Signed Sealed and Delivered by

.....

in the presence of .....

.....

Seal.

License No. 3.

.....

Dated the day of

19

.....

Australian Radio Technical
Services and Patents
Company Pty. Limited

to

License

To use and exercise certain Australian Letters Patent for certain specific purposes as within in connection with Wireless Broadcast Receiving Apparatus and/or Radiogramophones.

—

Guarantee.

In Consideration of Australian Radio Technical Services and Patents Co. Ltd. granting the within License to the Licensee at my request I Hereby Guarantee that the Licensee will pay all sums now or hereafter to become payable by the Licensee under or in pursuance of the License and will duly perform and observe all the conditions and provisions of the License Provided however that my total liability hereunder shall not exceed in the aggregate the sum of fifty pounds And I Hereby Agree that the neglect or forbearance of the Grantor to require and enforce payment of any moneys due under the License from the Licensee or the giving of time or granting of any indulgence to the Licensee shall not prejudice the Grantor's

rights or affect my liability hereunder any rule of law or Equity to the contrary notwithstanding.

Signed .....

Address .....

Witness.....

.....

DEFENDANT'S EXHIBIT NO. 190.

Extension of License No. 3.

Dated the ..... day of ..... 19 .....

Australian Radio Technical Services and Patents Company Pty. Limited

to

.....

Extension of License No. 3.

An Agreement made the ..... day of ..... 1943 Between Australian Radio Technical Services and Patents Company Pty. Limited of the one part and ..... of the other part Whereas this Agreement is supplemental to a License (hereinafter called "the License") dated the ..... day of ..... 19..... made between the same parties as are parties hereto with respect to the use and exercise of all or any of the Inventions the subject of the Letters Patent applicable to Broadcast Receiving apparatus and radio gramophones respectively upon the terms set out in the said License And Whereas the

parties hereto desire to vary the terms of the said License in the manner hereinafter appearing Now It Is Hereby Agreed as follows:—

1. The term of the said License as provided in Clause 2(a) thereof and of any License granted by the Licensee during the period provided in Clause 7(c) of the said License shall be extended to and continue in force until the 31st day of December 1944 and the said Clauses 2(a) and 7(c) shall be read and construed accordingly.

2. Subject to the variations herein contained and such alterations (if any) as may be necessary to make the said License consistent with this Agreement the said License shall remain in full force and effect.

In Witness whereof the parties hereto have duly executed these presents the day and year first hereinbefore written.

The Common Seal Of Australian Radio Technical Services And Patents Company Pty. Limited was hereunto affixed by

.....

in the presence of

.....

Secretary.

(Seal)

The Common Seal of .....
was hereunto affixed in the presence of

(Seal)

DEFENDANT'S EXHIBIT NO. 191.

License No. 3B.

An agreement made this ..... day of ....., 19....., between Australian Radio Technical Services & Patents Company Pty. Limited having its registered office at 47 York Street Sydney in the State of New South Wales (hereinafter called "the Grantor") of the first part, and ..... of ..... (hereinafter called "the Licensee" of the second part.

Whereas the Australian Radio Technical Services & Patents Company Pty. Limited has the right to grant licenses to the extent purpose and for the period of this agreement for all patents owned or controlled by Amalgamated Wireless (Australasia) Limited, Standard Telephones & Cables (A/SIA) Pty. Limited, N. V. Philips Gloeilampenfabrieken and Neutrodyne Proprietary Limited.

And Whereas the Licensee claims to be a bona fide manufacturer of wireless broadcast receiving apparatus and/or radio gramophones and as such manufacturer has applied to the Grantor to grant and the Grantor has agreed to grant to the Licensee a licence under the Letters Patent and upon the terms and conditions hereinafter mentioned and in consideration of the royalties herein reserved and assessed upon the basis agreed between the parties as being convenient. Now it is hereby agreed as follows:—

1. (a) The expressions "Broadcast Receivers" and "Broadcast receiving apparatus" when herein used shall each mean broadcast receiving apparatus (other than valves and loud speakers) for the reception of speech or music transmitted and intended for simultaneous reception by all listeners as distinct from point to point communication but only for private or domestic use or for the purpose

of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payment) and not otherwise and shall not include such receivers combined with gramophones but shall include sets of component parts.

(b) The expression "Set of component parts" for broadcast receiving apparatus when herein used shall mean a number of component parts which are capable of being assembled so as substantially to constitute a broadcast receiver.

(c) The expression "Radiogramophone" when herein used shall mean a unitary instrument which is designed to incorporate valves (whether or not equipped with the valves themselves) and which is designed for the reproduction of sound through an electrically-operated loudspeaker alternatively from (a) apparatus designed for the reception and translation into sound of modulated electrical oscilations broadcast to the public or from (b) apparatus (such as a turntable and pick-up) designed for the translation into sound of vibrations recorded on a sound record but which is only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable, educational philanthropic or religious character (such lectures or demonstrations not being open to the public and not being held for payment) and not otherwise. Such expression does not include valves and does not include any radiogramophones combined with other apparatus dependent thereon either wholly or in part for its operation but does include battery eliminators as hereinafter defined when incorporated in a radiogramophone and any set of component parts which are capable of being assembled to substantially constitute a radiogramophone.

(d) The expression "Battery Eliminator" when herein used shall mean an apparatus which renders unnecessary

the use of one or more batteries in the operation of broadcast receiving apparatus or a radiogramophone by facilitating the substitution therefor of electricity mains.

(e) The word "Valve" (or "Valves") when herein used shall be deemed where the context so admits to include inter alia a multiple valve a valve for rectifying electric current and other apparatus used in direct substitution for a valve.

(f) The expression "Multiple Valve" when herein used shall mean a valve designed to operate with more than one cathode-anode stream.

(g) The expression "Place of Public Entertainment" when herein used shall mean a place of public entertainment now existing or which during the subsistence of this Licence may exist and at which entertainment tax is or shall be payable or would be payable but for any statutory exemption granted subsequent to the first day of January, 1939. If during the subsistence of this Licence entertainment tax should be abolished then thereafter the expression shall mean a place of public entertainment now existing or which during the subsistence of this Licence may exist of the character of those places of public entertainment at which at the present time entertainment tax is in fact payable or would be payable but for any statutory exemption granted subsequent to the first day of January, 1939.

(h) The expression "Private or Domestic Use" as used herein shall be deemed to include also the use in Public Houses Hotels Boarding Houses Restaurants Cafes Tea Houses and/or small Dance Halls (only) Provided that such are not attached to or do not form part of a theatre or cinema.

(i) The expression "Selling" when herein used shall be deemed to include selling on the so-called hire-purchase system.

(j) The word "Plate" when herein used shall be deemed to include transfer.

2. (a) The Grantor grants and agrees to grant to the Licensee subject to the terms and conditions herein appearing a personal non-exclusive non-assignable license to use and exercise all (not legible) time to time be administered under mandate by the said Commonwealth (a) broadcast receiving apparatus and (b) radiogramophones but in both cases only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public generally and not being held for payment) and not otherwise. Such Licence shall be deemed to have commenced on the first day of January, 1939, and shall continue until 31st day of December, 1943, unless previously revoked as hereinafter provided.

(b) The Licensee undertakes that all companies or firms now or hereafter during the subsistence of this Licence directly or indirectly owned or controlled by the Licensee and all Companies or Firms formed by the Licensee during the subsistence of this Licence and directly or indirectly owning or controlling the Licensee shall if engaged in any field of business to which this Licence is applicable forthwith accept Licences from the Grantor upon the same terms as this Licence and the Grantor agrees to grant such Licences accordingly. If the Licensee shall become directly or indirectly owned or controlled by a company or firm which does not hold or forthwith obtain a Licence from the Grantor upon the same terms as this Licence the Grantor shall be at liberty to revoke this Licence.

3. (a) Nothing contained herein shall be deemed to license the Licensee to manufacture sell or let on hire

(a) valves of any kind, or
(b) loudspeakers of any kind, or
(c) television receiving apparatus.

(b) Nothing herein contained shall be deemed to license the Licensee to manufacture sell or let on hire any individual component part of broadcast receiving apparatus or a radiogramophone other than in and forming part of broadcast receiving apparatus or a radiogramophone.

(c) The Licence hereby granted shall not authorise the use or exercise of broadcast receiving apparatus or any radiogramophone for any purpose whatsoever other than the purposes herein set forth and in particular shall not authorise the use or exercise of any of the said apparatus by operating the same for revenue-earning purposes. Nor shall this Licence authorise the use or exercise of any of the said apparatus for purposes of receiving broadcasting or operating any radiogramophone in relation in any manner to the service of any place of public entertainment or of any place in which any business requiring any Licence from public authority is conducted (except insofar as such use is authorised under the definition of "private and domestic use") or for use with a microphone.

4. The Licensee agrees with the Grantor as follows:—

(a) Not without the previous written consent of the Grantor to export or sell for export or knowingly permit to be exported any broadcast receiving apparatus or radiogramophone.

(b) Not without the previous written consent of the Grantor to sell or hire or offer or expose for sale or hire in the territory for which this license is granted any broadcast receiving apparatus or radiogramophones which have not been manufactured in the territory for which this Licence is granted.

(c) From time to time on the request of the Grantor to furnish to the Grantor diagrams and/or samples of all broadcast receiving apparatus and radiogramophones for the time being manufactured sold or let on hire by the Licensee.

(d) To attach or cause to be attached in a prominent position to all broadcast receiving apparatus and radiogramophones sold or hired or offered or exposed for sale or hire by the Licensee (or in the case of a set of component parts for such apparatus to supply for attachment to the assembled apparatus by the constructor thereof) a plate marked by the Grantor with a Serial Number determined by the Grantor and indicating the number of valves (as hereinbefore defined but subject to the provisoes contained in Sub-Clauses (f) (i) and (ii) of this Clause) on which the royalty payable hereunder is calculated and bearing the following words:

With respect to Broadcast receiving apparatus:

"No. ..... This instrument was manufactured under a license granted by Australian Radio Technical Services and Patents Company Pty Limited in respect of patents controlled by it for the reception in the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth of sound broadcast by wireless but only for private or domestic use and not for operation for any public or commercial or revenue-earning purpose. N.B.—A Post Office Licence is necessary."

With respect to radiogramophones:

"No. ..... This instrument was manufactured under a license granted by Australian Radio Technical Services and Patents Company Pty Limited in respect of patents controlled by it for the reception in the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth of sound broadcast by wireless and for the reproduction within the said territory of sound from record but only for private or domestic use and not for operation for any public or commercial or revenue-earning purposes. N.B.—A Post Office Licence is necessary."

Plates complying with the above may be obtained from the Grantor and no such plate shall be removed from any Broadcast receiver or radiogramophone to any other apparatus without the previous consent in writing of the Grantor and no Broadcast Receiver or radiogramophone shall be or be deemed to be licensed hereunder unless such a plate be attached thereto and the absence of such a plate from any Broadcast Receiver or radiogramophone shall be conclusive evidence that the same is not licensed hereunder. In addition if required by law the Licensee shall further mark in accordance with the requirements of the Patent Act of the Commonwealth of Australia or any amendments thereof made during the subsistence of this License all Broadcast Receivers or radiogramophones covered by this License which are manufactured sold let on hire or put into use by the Licensee.

(e) So far as is reasonably practicable to make the conditions of this Licence a condition of every sale or hire binding upon and observable by every purchaser or hirer of any broadcast receiving apparatus or any radiogramophone sold or hired or offered or exposed for sale or hire by the Licensee.

(f) To pay the Grantor by way of royalty:

(i) In respect of each and every broadcast receiving apparatus sold or hired or offered or exposed for sale or hire by the Licensee employing or designed to employ a valve or valves the sum of three shillings and sixpence (3/6d.) payable in cash prior to issue of license plate in respect of each and every valve included or intended to be employed therein whether or not such apparatus embodies or utilises or is designed or intended to embody or utilise any invention the subject of any of the said Letters Patent Provided that in the case of multiple valves employed or intended to be employed in such broadcast receiving ap-

paratus each and every cathode-anode stream contained therein shall be deemed to be one valve and the royalty shall be calculated accordingly;

(ii) In respect of each and every radiogramophone sold or hired or offered or exposed for sale or hire by the Licensee employing or designed to employ a valve or valves (a) the sum of three shilings and sixpence (3/6d.) payable in cash prior to issue of license plate in respect of each and every valve employed or intended to be employed therein and in addition (b) the sum of three shillings and sixpence (3/6d.) whether or not such radiogramophone embodies or utilises or is designed or intended to embody or utilise any invention the subject of any of the said Letters Patent Provided that in the case of multiple valves employed or intended to be employed in such radiogramophone each and every cathode-anode stream contained therein shall be deemed to be one valve and the royalty shall be calculated accordingly.

Provided Always that no royalty shall be payable under paragraphs (i) and (ii) of this Sub-Clause (f) in respect of a battery eliminator incorporated in and forming part of a complete broadcast receiver or radiogramophone and Provided Always that in respect of broadcast receiving apparatus or radiogramophones manufactured or sold by the Licensee which employ any patent under which the Grantor may become liable to pay a royalty to a third party or share a royalty with a third party the Grantor shall offer to the Licensee and the Licensee may accept the right to the inclusion in this licence of that patent on payment to the Grantor of an additional royalty of such amount as may be required to enable the Grantor out of the total royalties paid by the Licensee both to retain the royalties payable under paragraphs (i) and (ii) of this Sub-Clause (f) and to satisfy the terms of the Licence

or Agreement under which royalty is or shall be payable by the Grantor. The Grantor shall if so required in writing by the Licensee furnish the Licensee with proof of the third party's claim to royalty. The Grantor shall upon request of the Licensee and the Licensee shall upon request of the Grantor permit the Grantor to examine free of charge diagrams and/or samples of broadcast receiving apparatus and radiogramophones manufactured or proposed to be manufactured by the Licensee and advise whether such apparatus embodies or utilises any invention the subject of any of the said Letters Patent under which the Grantor may be liable for royalty to a third party as herein mentioned. The Grantor shall inform the Licensee of the amount of any such additional royalty and any such additional royalty shall be shown separately in the returns hereinafter mentioned.

(g) Keep proper and accurate and separate accounts of everything necessary to enable a Public Accountant appointed by the Grantor to ascertain whether the royalties payable under each of the paragraphs (i) and (ii) of the last preceding sub-clause (f) have been paid. In the even that the Licensee fails to keep the books of account above mentioned in addition to any other rights and remedies the Grantor may have the Licensee agrees to pay to the Grantor the amount of royalty which the Grantor may by notice in writing to the Licensee stipulate as the amount estimated to be due unless the Licensee proves that the royalty due should be some other amount.

(h) The Licensee shall permit a Public Accountant appointed by the Grantors to inspect the books and accounts of the Licensee relative to this License. In the event of such inspection revealing any short payment of royalty the Licensee agrees to pay to the Grantor the costs of such inspection in addition to any such royalty short paid.

(i) Not at any time during the subsistence hereof to

dispute or impeach or to assist others to dispute or impeach the validity of the said Letters Patent.

(j) Not to assign transfer mortgage grant sub-licences under or in any manner part with the possession or control of this Licence or any part of it without the previous written consent of the Grantor.

5. During the subsistence of this Licence the Grantor will keep the Licensee fully indemnified against costs and damages arising in connection with all actions proceedings claims and demands which may be made against the Licensee by any third party who seeks to establish or establishes to the satisfaction of a court of competent jurisdiction within the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth his right to restrain the user and exercise by the Licensee under the Grant contained under this Licence of any of the said Letters Patent on the ground that such user and exercise is an infringement of any legal rights or legal interests of such third party in such Letters Patent Provided Always that the Grantor is immediately informed of the institution of such proceedings and is given full and complete rights to take over at its own cost and through its own solicitors the defense of such proceedings if it so requests and in that event the Licensee shall assist the Grantor in every reasonable manner but the Grantor shall be at liberty to compromise submit to judgment in abandon discontinue or otherwise dispose of the same as to it may seem expedient.

6. The Grantor may revoke this Licence upon the happenings of any of the following events:

(a) If there be any breach on the part of the Licensee of any of the terms and conditions herein contained and the same be not remedied made good or desisted from within seven (7) days of notice on that behalf from the Grantor; or

(b) If the Licensee shall become bankrupt or compound with his creditors or (being a company) shall go into liquidation whether voluntary or compulsory;

any revocation of this Licence shall be without prejudice to all claims of the Grantor against the Licensee for outstanding royalties or prior breaches of this Licence or otherwise and also without prejudice to the provision of Clause 7 hereof.

7. (a) The Licensee agrees to grant to the Grantor upon request a non-exclusive non-transferable licence (but with the right to sub-licence subsidiary or associated companies) to make use exercise and vend all or any of the inventions the subject of Letters Patent applicable to broadcast receiving apparatus and/or a radiogramophone in respect of which and insofar as the Licensee has or shall hereafter have power to grant a licence for the purposes of manufacturing using selling or letting on hire within the Commonwealth of Australia and such territories as may from time to time be administered under mandate by the said Commonwealth broadcast receiving apparatus and/or radiogramphones but only for private or domestic use or for the purpose of lectures or demonstrations in any institution of a charitable educational philanthropic or religious character (such lectures or demonstrations not being open to the public generally and not being held for payment) and not otherwise.

(b) If any invention in respect of which any such licence is herein agreed to be granted by the Licensee comes within the scope of the claims of any Letters Patent in respect of which the Licence is granted or agreed to be granted hereunder by the Grantor then the Grantor shall pay no royalty. If any such invention does not come within the scope as aforesaid then the Grantor shall be entitled to such licence on payment of a royalty at a rate not exceeding the lowest rate paid by any Licensee in respect of

the same invention or if there is no other Licensee then at a rate not exceeding five per cent. (5%) of the net selling price of the article manufactured in accordance therewith or (whether or not there is another licensee) not exceeding the rate paid by the Licensee to the Grantor hereunder whichever is the smaller.

(c) Any such licence granted by the Licensee shall continue until the thirty-first day of December 1943 or for such other period as may be agreed upon.

8. The Licensee also agrees to furnish a guarantee in a form to be settled by the Grantor by some person or persons approved by the Grantor for the payment of royalties in terms of the License.

In Witness Whereof the parties hereto have duly executed these presents the day and year first hereinbefore written.

The Common Seal of Australian Radio Technical Services & Patents Company Pty. Limited was hereunto affixed by .....and .....two Directors of the Company by order of the Board and in the presence of .....

Secretary.

Seal.

Signed Sealed and Delivered by.....

.....

in the presence of .....

.....

Seal.

License No. 3B.

Dated the ..... day of

..... 19.....

Australian Radio Technical
Services and Patents
Company Pty. Limited

to

.....

License

To use and exercise certain Australian Letters Patent for certain specific purposes as within in connection with Wireless Broadcast Receiving Apparatus and/or Radiogramophones.

Guarantee.

In Consideration of Australian Radio Technical Services and Patents granting the within License to the Licensee at my request I Hereby Guarantee Licensee will pay all sums now or hereafter to become payable by the Licensee under or in part of the License and will duly perform and observe all the conditions and provisions cited Provided however that my total liability hereunder shall not exceed in the aggregate of fifty pounds And I Hereby Agree that the neglect or forbearance of the Grantor to and enforce payment of any moneys due under the License from the License or the giving or the granting of any indulgence to the Licensee shall not prejudice the Grantor's rights of my liability hereunder any rule of law or Equity to the contrary notwithstanding.

Signed .....

Address .....

.....

Witness .....

